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Tuesday,
20th September, 1955

PARLIAMENTARY DEBATES

HOUSE OF THE PEOPLE

OFFICIAL REPORT

PARLIAMENT SECRETARIAT
NEW DELHI

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LOK SABHA DEBATES

(Part I—Questions and Answers)

Acc. No. ...... Dated 11.02.2015

LOK SABHA

Tuesday, 20th September, 1955

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

Permits for Entry into Jammu and Kashmir

*1936. **Shri D. C. Sharma** : Will the Minister of **Defence** be pleased to state the number of persons who applied for permits for entry into Jammu and Kashmir State during the year 1954-55 ?

The Deputy Minister of Defence (Sardar Majithia) : 1,32,999.

Shri D. C. Sharma : May I know how many of these applications were rejected and on what grounds ?

Sardar Majithia : Very few of them have been rejected ; only 38.

Shri D. C. Sharma : I wanted to know some of the grounds on which these applications had been rejected.

Sardar Majithia: Normally, we see that those of Indian nationals are not rejected. Generally the applications of foreigners other than Pakistanis also go through without any objection. Those of Pakistanis, subject to vetting, go through and in case we find that the reasons are not cogent enough, we do refuse to issue permits.

Shri D. C. Sharma : May I know how many of these applicants were Pakistanis whose applications were rejected after due vetting, and may I know the nationalities of some of the persons whose applications were rejected ?

Sardar Majithia : I must say that I have not got the break-up of these figures.

National Defence Academy

*1937. **Shri Krishnacharya Joshi** : Will the Minister of **Defence** be pleased to state the total number of cadets of the three Services *viz.* Army, Navy and Air Force admitted to the National Defence Academy during 1954 and 1955 ?

The Deputy Minister of Defence (Sardar Majithia) : 1954—327
1955—360.

Shri Krishnacharya Joshi : May I know whether there is any appreciable change in the training of the cadets as a result of the transfer of the Academy from Dehra Dun to Knadakvasla ?

Sardar Majithia : I do not really understand what 'appreciable change'. But, the course in Khadakvasla will now be of three years instead of two years at Dehra Dun and conversely the course at Dehra Dun is reduced to one year instead of the former two years.

Shri Krishnacharya Joshi : May I know what are the additional facilities that are being provided to the cadets after the transfer to Khadakvasla ?

Sardar Majithia : The additional facilities are more grounds, more buildings and better classrooms, better living quarters, better quarters for the instructing staff and all that.

Shri Krishnacharya Joshi : May I know the State-wise figures of these cadets ?

Sardar Majithia : I have not got the figures State-wise.

श्री एम० एल० द्विवेदी : मैं यह जानना चाहता हूं कि इस एकेडमी में भरती होने के क्या नियम हैं, और सारे सूबों का ठीक से प्रतिनिधित्व हो इस के लिये भरती करने का क्या तरीका अपनाया जाता है ?

Sardar Majithia : The boys go through the UPSC examination and after that if they are found suitable by the Services Selection Board, they are taken in.

Import Duty on Arecanut

*1941. **Shri B. K. Das** : Will the Minister of **Finance** be pleased to state :

(a) the date from which the reduction in import duty on arecanut has been given effect to ; and

(b) the extent to which this will affect the anticipated income from the import duty for the year 1955-56 ?

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha) : (a) The 30th April, 1955.

(b) The budget estimate for 1955-56, based on the rate of duty previously in force, was Rs. 6·5 crores. During the first 5 months of the financial year, and amount of Rs. 3·4 crores has been realised, and at this rate it is probable that the budget estimate will be reached or even exceeded despite the reduction in duty.

Shri B. K. Das : May I know what are the considerations that led to this decision for reduction ?

Shri A. C. Guha : I can say what several times in this House it was represented that this duty was working adversely to the consumers. That was the main consideration. The duty was, to a certain extent, protective also. We felt that the protective purpose will be equally served if the reduction was made.

Shri B. K. Das : May I know what has been the shortfall in the customs duty during the year 1954-55 when the estimated extra collection was fixed at Rs. 3 crores ?

Shri A. C. Guha : I cannot understand what is meant by shortfall.

Mr. Speaker : The estimated shortfall on account of the reduction.

Shri B. K. Das : My question referred to last year.

Shri A. C. Guha : I should like to have notice for that.

Shri B. K. Das : May I know whether it has been examined as to what will be the effect of this reduction on the interests of the growers ?

Shri A. C. Guha : I have already stated that the protective purpose of the duty will be equally served by this reduction. The interests of the growers will not be affected by this reduction.

Shri Wodeyar : May I know whether it is a fact that the importers had not lifted the betelnuts until the duty was reduced and if so the total quantity that was left in the different ports from 1st February to 1st May ?

Shri A. C. Guha : I have not been able to follow the question.

Mr. Speaker : Will the hon. Member please repeat the question ?

Shri Wodeyar : May I know whether it was fact that the importers had not lifted the betelnuts from the importing Ports until the duty was reduced and, if, so, what is the total quantity of such betelnuts which were lying in the different ports of India from February 1, to May 1 ?

Shri A. C. Guha : The practice is that anything lying in the port would not get the benefit of the reduced duty. The reduced duty will be available only to those imported after the reduction has been announced.

Shri Basappa : May I know whether the price of the imported stuff rose after the reduction of the duty ?

Shri A. C. Guha : I think there has been a general reduction in the retail prices of about Rs. 10 to 12 The reduction in duty is Rs. 20 and the total amount has not been reflected in the reduction of the retail prices. Anyhow, there has been an overall reduction about Rs. 12.

Shri B. K. Das : When the duty was raised last year, the purpose was to rope in the middleman's profit to the benefit of the exchequer. May I know whether by this reduction the middleman's profit will be reduced?

Shri A. C. Guha : I have already stated the reduction in duty is Rs. 20 and the reduction in prices for the consumer is by about Rs. 10 to Rs. 12. So, I think, about 60 per cent has been absorbed by this reduction in duty. But the middleman's profit has not been totally absorbed by this reduction. There may be some profit to them yet.

Estate Duty

*1942. **Shri Gidwani** : Will the Minister of **Finance** be pleased to state :

(a) whehter it is a fact that collections from the Estate Duty are much below expectations ?

(b) if so, the reasons therefor ; and

(c) the steps proposed to be taken to augment the revenue from this source ?

The Minister of Revenue and Civil Expenditure (Shri M. C. Shah) : (a) If the question relates to the original estimates for the year 1954-55, the answer is 'Yes'.

(b) The estimate was framed at a time when we had no experience and no data on which it could be based, so our figure was really only an intelligent guess rather than a formal estimate based on previous actuals, or known trends, and actually proved over-optimistic.

(c) The revenue from this source depends mainly on three factors, *viz.* deaths of wealthy people, the exemption limit and rates of duty, and the administrative machinery. While the number of deaths of wealthy persons in any given period must always remain unpredictable, the exemption limit and the rates of duty have been fixed by statute. All feasible steps with regard to administrative arrangements are being taken to ensure that all dutiable estates are properly subjected to duty, *e.g.*

(1) Training of officers including some abroad ;

(2) Satisfactory arrangments for obtaining information regarding deaths;

(3) Creation of separate Estate Duty Circles in important towns.

So far as legal avoidance of duty is concerned, the Government is at the moment examining the recommendations of the Taxation Enquiry Commission. The question of creating special Estate Duty Circles in all the important towns is also under consideration.

Shri Gidwani : What was the estimated income from this source during 1953-54 and 1954-55 and what was the actual collection during these years ?

Shri M. C. Shah : In the budget estimate for 1954-55 we had provided for Rs. 4 crores. The revised estimates for the year were Rs. 1·26 crores. A demand for Rs. 1·23 crores was raised during that period and Rs. 85,00,000 were collected as estate duty.

Shri Gidwani : What is the expenditure incurred by Government in collecting this duty during the past two years ?

Shri M. C. Shah : Not much expenditure because we have already entrusted this work to the present income-tax officers. Only in regard to certain special circles that we have established in some big cities we have to incur expenditure.

Shri Gidwani : How many valuation boards have been appointed so far and at which places ?

Shri M. C. Shah : There are no valuation boards appointed. We have already had valuers and whenever a panel is to be appointed, the accounting person has to approach the income-tax authorities, and then a valuer of his choice and a valuer on behalf of the Government will be the panel.

Development of Wind Power Resources

*1943. **Shri Bhakt Darshan** : Will the Minister of **Natural Resources and Scientific Research** be pleased to state :

(a) whehter there is any proposal for the development of the wind power resources in the country ; and

(b) if so, the nature of the proposal ?

The Deputy Minister of Education (Dr. K. L. Shrimali) : (a) Yes, Sir.

(b) (1) To find out in a general way the most suitable regions in India where wind energy can be obtained economically.

(2) To install small experimental wind mill units at selected places and determine the feasibility of their use for rural purposes, both for lifting water and generation of electricity.

(3) As a result of the experience gained to develop types of wind mills locally that will be most economical to operate.

(4) To establish pilot units of large wind generators for large scale generation of electricity and to find the sites where they should be installed.

श्री भक्त दर्शन : क्या यह सत्य है कि इस काम में प्रगति देने के लिये एक स्थायी डाइरेक्टोरेट की स्थापना की जा रही है और क्या माननीय मंत्री महोदय उस के फंक्शन पर और उस के कार्यक्रम पर प्रकाश डालने की कृपा करेंगे ?

डा० के० एल० श्रीमाली : जी, एक कमेटी नियुक्त हुई है जिस का काम यह है जो कि मैं ने स्टटमेंट में बताया है उस के मुताल्लिक काम कर रही है ।

श्री भक्त दर्शन : क्या यह सत्य है कि इस समय तक जिन जिन स्थानों का पता लगाया गया है और इस कमेटी को जो कार्यभार दिया गया है उस में हिमालय का कोई उल्लेख नहीं है और क्या माननीय मंत्री महोदय के ध्यान में यह बात आई है कि हिमालय की ऊंची चोटियां पर इस प्रकार की प्रभावशाली हवा चलती है जिस के कारण बिजली अच्छी मात्रा में पैदा की जा सकती है ?

डा० के० एल० श्रीमाली : सारे देश में सर्वे किया जा रहा है। राजस्थान में एक anemometer station स्थापित किया है। सौराष्ट्र, बेलगांव, और कोयम्बटूर में स्थापित किये जाने की आशा है और धीरे धीरे सारे देश का सर्वे किया जायेगा।

Coal Deposits

*1944. **Shri Bishwa Nath Roy** : Will the Minister of **Natural Resources and Scientific Research** be pleased to state whehter the Geological Survey of India has been successful in discovering new deposits of coal near Karanpur and Ramgarh in Bihar ?

The Deputy Minister of Education (Dr. K. L. Shrimali) : A statement giving the required information is laid on the Table of the House [*See* Appendix X, annexure No. 16].

Shri Bishwa Nath Roy : May I know whether any steps have been taken for exploiting the deposits at these places ?

Dr. K. L. Shrimali : No steps have been taken. The survey has been carried and further steps will be taken after the survey reports have been fully considered.

Shri Bishwa Nath Roy : May I know whether Government have any idea about the quantity in tons of coal deposits at these places ?

Dr. K. L. Shrimali : The revised estimates of reserves are very much larger than the previous estimates. With regard to Ramgarh coalfield, they are of the order of 1,334 million tons, which are likely to be available within a depth of 1,000 ft. The quarriable reserves upto a depth thrice the thickness of the seams have now been estimated at 78 million tons.

Shri T. B. Vittal Rao : May I know whether the Karanpura coalfield will be worked by private enterprise or by the public sector ?

Dr. K. L. Shrimali : That matter has still to be decided.

Reserve Bank Of India

*1946. **Shri N. S. Das** : Will the Minister of **Finance** be pleased to state :

(a) whether an Advisory Council to advise the Reserve Bank of India as recommended by the Committee of Direction in their Report in para 17 of Chapter 33 has been constituted ; and

(b) if so, its constitution and precise functions ?

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha) : (a) Not yet, Sir. This question will be taken up only after the National Co-operative Development Board has been set up and both the Board and the Reserve Bank of India have been able to initiate the implementation of the various recommendations of the Rural Credit Survey and some experience is gained in the working of the system.

(b) Does not arise yet.

Shri S. N. Das : May I know whether the existing Standing Advisory Committee on Agricultural Credit has in any way been strengthened, and if so, in what manner ?

Shri A. C. Guha : I think I should make it clear that there is already a Standing Advisory Committee, and in addition to that, the Rural Credit Survey has suggested an Advisory Council. The present Advisory Committee will have its last meeting very soon and then the question of reconstituting the Advisory Committee will be taken up. But apart from the Advisory Committee, this Advisory Council will be a separate body and it will give advice both to the Reserve Bank and the Food and Agriculture Ministry and also to the National Co-operative Development and Warehousing Board. This will be a much bigger body and it will be constituted only after the Warehousing Board has been started and some expericence is gained about the working of the Board.

Shri S. N. Das : May I know whether any organisation has been set up to see that the recommendations of the Rural Credit Survey are implemented by the State Governments, Central Government and the Reserve Bank of India, and if so, what is the organisation that is going to do it ?

Shri A. C. Guha : On the Finance Ministry side we have passed a Bill and the Ministry of Food and Agriculture will be coming before the House with another Bill for setting up a National Co-operative Development and Warehousing Board, and only then the work will go to the State Governments. In the meantime, the Reserve Bank is taking steps to advise the State Governments for strengthening the co-operative organisations.

Shri S. N. Das : May I know whether the existing branch of the Reserve Bank of India, that is, the Agricultural Credit Department has in any way been strengthened to see that the various State Governments implement the recommendations of the Rural Credit Survey at an early date ?

Shri A. C. Guha : I think I have already stated that the Reserve Bank is taking steps to advise the State Governments for strengthening the co-operative organisations and the Reserve Bank can do that only through its Agricultural Credit Department—strengthening it as the work-load would require.

शिक्षा पर बालोघ की रिपोर्ट

*१६४७. **श्री एम० एल० द्विवेदी** : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या द्वितीय पंचवर्षीय योजना की रचना के सम्बन्ध में एक अंग्रेज अर्थशास्त्री श्री टी० बालोध की रिपोर्ट की ओर सरकार का ध्यान दिलाया गया है;

(ख) यदि हां, तो उन की रिपोर्ट को दृष्टि में रखते हुए सरकार किस प्रकार के परिवर्तन करने का विचार रखती है; और

(ग) द्वितीय पंच वर्षीय योजना में सम्मिलित करने के लिये शिक्षा मंत्रालय ने जो योजनायें बनाई हैं, उन की रूप रेखा क्या है ?

शिक्षा मंत्री के सभा सचिव (डा० एम० एम० दास) : (क) हां, जी।

(ख) सरकार केन्द्रीय शिक्षा सलाहकार बोर्ड विश्वविद्यालय शिक्षा आयोग, और माध्यमिक शिक्षा आयोग जैसे विशेषज्ञ निकायों की सिफारिशों के आधार पर मौजूदा शिक्षा पद्धति में परिवर्तन लाने के लिये कार्यवाही कर रही है। सरकार ने सरकारी नौकरियों में योग्यता के प्रश्न पर विचार करने के लिये एक समिति भी बनाई है जिस की रिपोर्ट का इंतजार है।

(ग) योजना आयोग के साथ इस विषय पर विचार हो रहा है।

मैं माननीय मैम्बर को यह भी बताना चाहता हूं कि रिपोर्ट के बारे में उन के प्रश्न के पार्ट (क) में जो कहा गया है, वह सही नहीं है। भारत सरकार ने श्री टी० बालोघ को पंच वर्षीय योजना के ऊपर कोई विचार करने के लिये आमंत्रित नहीं किया है और मि० बालोघ ने भी भारत सरकार के पास कोई रिपोर्ट पेश नहीं की। मि० बालोघ ने दिल्ली के एक समाचार-पत्र में एक निबन्ध लिखा है और उस निबन्ध में द्वितीय पंचवर्षीय योजना पर कुछ विचार प्रकट किये हैं।

Shri M. L. Dwivedi : In part (c) of my question I asked for information regarding the outlines of the plan which has been proposed by the Ministry. The reply given does not cover this point. May I know the gist of the plan ?

Dr. M. M. Das : The reply given covers the point, but if the hon. Member wants to have details of it, then I may submit to him that the plan which was originally prepared by the Ministry of Education for the next Five-Year Plan could not be accepted by the Planning Commission because it involved a huge amount of money. So, the Ministry of Education was advised to reduce the targets which are still under consideration. These reduced targets are as follows :—

(1) Sixty per cent of the children in the age group 6 to 11 should be in school as against 75 per cent originally provided for.

(2) Only one-fourth of the existing primary schools should be converted into basic schools as against one-third originally proposed.

(3) Matric-trained teachers should be paid Rs. 50 per month as against

Rs. 75 originally proposed. Likewise, an untrained teacher should be paid only Rs. 40 per month as against Rs. 50 originally proposed.

(4) Only 25 per cent of children in the age group 11 to 14 should be in schools as against 30 per cent originally provided for.

(5) Only 15 per cent of the children in the age-group of 14—17 years to receive education as against 20 per cent originally provided for.

(6) Only 1,000 schools to be converted into multi-purpose schools as against 2,000 originally provided for.

(7) The provision for auxiliary cadet corps to be drastically reduced from Rs. 38 crores to Rs. 12 crores only.

(8) The number of Junior technical schools to be reduced to 400 as against 500 originally provided and the proposals for the construction of quarters for technical staff, for for technical teachers as also for amenities for the students to be drastically reduced to keep within the amounts available.

An hon. Member : A disappointing statement.

Mr. Speaker : Order, order.

Shri S. N. Das : May I know what was the original amount required by the Ministry for the execution of the plan and what is the reduced total amount ?

Dr. M. M. Das : The original plan involved an expenditure of Rs. 1080 crores but we have on the advice of the Planning Commission to reduce our targets so that the total estimate will be Rs. 400—600 crores.

Linguistic Survey

***1948. Shri Veereswamy :** Will the Minister of **Education** be pleased to refer to the reply given to starred question No. 1553 on the 7th September, 1955 and state :

(a) when the Linguistic Survey will be completed ; and

(b) the estimated amount of expenditure on it ?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das) : (a) No specified period can

(b) Rs. 41 lakhs approximately per annum.

Shri Veeraswamy : May I Know the purpose with which this survey is being conducted ?

Dr. M. M. Das : The purpose is to know intimately the culture of the country by acquiring an intimate knowledge of the different languages and dialects of the country.

Shri Veeraswamy : May I know whether there is any proposal under consideration of the Government to recast the boundaries of the States on the basis of the languages mentioned in the Constitution apart from the recommendations of the States Reorganisation Commission ?

Mr. Speaker : Order, order.

Shri Heda : In Hyderabad State while the last census was being taken, a village wide-lingustic survey has already been made. The maps are already showing every dialect and the different villages have been pointed out in their correct places. May I know whether the object of this All India survey is the same or something else than that ?

Dr. M. M. Das : We are not aware of what exactly the terms of reference of that survey were, or what was done exactly. So, it is not possible for me to answer that question.

Shri Veeraswamy : May I know whether it is not essential to form the States according to the languages mentioned in the Constitution to avoid further linguistic complication ?

Mr. Speaker : Order. order. I am not allowing that question.

Civilian School Masters

***1950. Shri Bhagwat Jha Azad :** Will the Minister of **Defence** be pleased to state whether there is a permanent establishment of Civilian School Masters like other Civilian Cadres in the Army ?

The Deputy Minister of Defence (Sardar Majithia) : Civilian School Masters in the Army are employed in lieu on Military Educational Instructors and are liable to be replaced as and when Military Instructors become available. There is, therefore, no permanent cadre of Civilian School Masters in the Army.

Shri Bhagwat Jha Azad : In the light of experience for so many years of the working of the civilian school masters in the Army, may I know what are the reasons that had prevailed upon the

Government so as not to make it a permanent establishment like the other civilians units which are on a permanent basis.

Sardar Majithia : As I, said, the permanent cadre is of military education instructors and those are being taken gradually. Therefore, these must necessarily be of a temporary nature.

Shri Bhagwat Jha Azad : May I know after so many years of their work in the military departments, while reverting them back whether the Government propose to give alternative employment to these civilian school masters ?

Sardar Majithia : Yes, Sir, certainly. Out of 202 who had received notices for discharge, six have been taken in as combatents ; that means they are fit for the fighting forces. *95 have been offered alternative civilian appointments in the defence installations.

Dr. Ram Subhag Singh : May I know whether any preference is given to these school masters in respect of recruitment to the posts of military educational instructors ?

Sardar Majithia : As I said, they have been offered civilian appointments in the defence installations. When new instructors are taken in they certainly get a chance but those who have been in the military naturally get preference.

National Defence Academy

*1951. **Dr. Satyawadi :** Will the Minister of **Defence** be pleased to state :

(a) the number of Scheduled Caste tribe, if any, among the cadets admitted to the National Defence Academy, Dehra Dun during 1955 ; and

(b) the number of Harijan cadets who completed training there during 1954-55 ?

The Deputy Minister of Defence (Sardar Majithia) : (a) The National Defence Academy has shifted to Khadakvasla in January 1955. Only the Military College is located at Dehra Dun now. Two Scheduled Caste-Tirbe Cadets were admitted in 1955—one to the National Defence Adademy, Khadakvasla and the other to the Military College, Dehra Dun.

(b) Nil.

डा० सत्यवादी : क्या मैं जान सकता हूं कि इन संस्थाओं में दाखिले के लिये हरिजनों का कोई कोटा मुकर्रर किया गया है, या नहीं ?

सरदार मजीठिया : नहीं, कोटा तो कोई मुकर्रर नहीं किया गया। जैसे जैसे विद्यार्थी सूटेबुल पाये जाते हैं, उन को लिया जाता है।

डा० सत्यवादी : इस दाखिले के लियें जो उम्मीदवार आये थे, क्या मैं जान सकता हूं कि उन में हरिजन उम्मीदवार कितने थे ?

Sardar Majithia : I have not got the figures because these columns were only introduced in 1953. Before that there was not any separate column in which they had to mention whether they were Scheduled Castes.

श्री नवल प्रभाकर : क्या मैं जान सकता हूं कि इन संस्थाओं में जो हरिजन विद्यार्थी प्रशिक्षण के लिय आते हैं, यदि वह सब प्रकार से फिट होते हैं तो उन को कोई आर्थिक सहायता विशेष रूप से दी जाती है या देने का इरादा है ?

Sardar Majithia : The question of giving them financial aid does not arise as the Defence Department bears the training expenses of all Cadets.

श्री एम० एल० द्विवेदी : क्या मंत्री महोदय हरिजन उम्मीदवारों की संख्या प्रदेशवार बतला सकते हैं बखिलाफ उन लोगों के जो कि दूसरी जातियां के वहां भरती हुए हैं ?

Sardar Majithia : I have not got those figures.

Shri B. S. Murthy : May I know the steps taken by the Ministry of Defence to fulfil the assurance given by the Minister of Defence sometime back on the floor of the House that steps will be taken to see that Harijans and Scheduled Tribes Students will be given all facilties to join the National Defence Academy?

The Minister of Defence (Dr. Katju) : May I just answer it. I answered it yesterday in the debate. We are prepared to give all facilities but there is no question of preference. We want the best cadets available and the training is imparted at Khadakvasla. If the young boy is fit and qualified for military service, we do not want to know to what caste he belongs.

Military College, Dehra Dun

***1955. Dr. Rama Rao** : Will the Minister of **Defence** be pleased to state :

(a) when the last examination and selection for the Military College Dehra Dun was held ;

(b) the total number selected ;

(c) how many were Gorkhas, subjects of Nepal ; and

(d) when the next examination will be held ?

The Deputy Minister of Defence (Sardar Majithia) : (a) The examination of candidates for admission to the July 1955 Course of the Military College was held in January 1955. The selection of candidates for that Course was made in July, 1955.

(b) 24

(c) None.

(d) The next examination will be held in January, 1956.

Shrimati Kamlendu Mati Shah : Sir, may I put one question ?

Shri Bhakt Darshan : Sir,..........

Mr. Speaker : I am going to the next question. The questioner is satisfied with the answer given.

Border Security Police

***1956. Shri Vallatharas** : Will the Minister of **Home Affairs** be pleased to state :

(a) whehter the special Police force created by the Government of Uttar Pradesh on the undertaking of the Central Government to bear the entire liability of the force for security purposes on the border of Tibet still continues to exist ; and

(b) whether the necessity to maintain the force is a permanent one, and if so, whether any plan in the way of making it a permanent feature is under consideration of the Central Government.

The Deputy Minister of Home Affairs (Shri Datar) : (a) and (b). The force is being maintained on a temporary basis. There is no proposal at present to make it permanent.

Shri Vallatharas : May I know what was the expenditure that was incurred in the year 1954-55 over this special police establishment ?

Shri Datar : These figures have been given in the Budget. So far as this particular force is concerned Rs. 1,23,000 was spent.

Shri Vallatharas : In veiw of the fact that good friendship is a potent feature in the relationship between China and India, has the Government considered the desirability or otherwise of removing all the checkposts at the earliest instance possible ?

Shri Datar : The force is only of a temporary character and that itself shows that the question would be considered if it is necessary.

Shri Vallatharas : Has there been any incident of trespass from the Tibetan side to Indian side and any clashes between the police force of the Indian Union and the military or police force in the Tibetan border during the period 1953 to 1955 ?

Shri Datar : I have no information on this point at present.

श्री भक्त दर्शन : क्या गवर्नमेंट के ध्यान में यह बात आई है कि इन हमारे सीमावर्ती सिपाहियों को कहीं कहीं पर तो १५,००० फुट की ऊंचाई पर बरफ और ठंड में रहना पड़ता है ? क्या यू० पी० सरकार न मांग की है कि इन के लिये पक्के मकान बनायें जायें और अन्य दूसरे प्रकार के इंतजाम किये जायें ?

Shri Datar : As the force is temporary there is no question of having permanent provisions for them at this stage.

Mineral Oil

***1958. Shri N. B. Chowdhury** : Will the Minister of **Natural Resources and Scientific Research** be pleased to refer to the reply given to Starred Question No. 995 on the 22nd August, 1955, and state whether Government will have any say in the matter of determining the prices of mineral oil when raised according to the terms of the agreement with the Standard Vacuum Oil Company ?

The Deputy Minister of Education (Dr. K. L. Shrimali) : It would not be in the public interest to disclose any of the terms agreed with the Standard Vacuum Oil Company.

Shri N. B. Chowdhury : In view of the widespread demand in the country to know the actual provisions of the agreement, may I know whether the Government would give us some idea as to the principle which will be involved in the matter of price and whether that will conform to the Gulf of Mexico Formula ?

Dr. K. L. Shrimali : I have already explained that it will not be in the public interest to disclose the terms of the agreement. All that I can say, in addition to what I have said already, is that the national interests have been fully safeguarded and full care has been taken when the agreement was entered into and the prices of oil will be regulated.

Shri N. B. Chowdhury : May I know whether the experience of the agreements with the Standard Vacuum and the Burmah Oil Companies in respect of refineries will be taken into consideration in finalising the terms of the agreement with regard to this project?

Dr. K. L. Shrimali : Yes, Sir ; we will always benefit by experience.

Shri Sarangadhar Das : In view of the fact that many a time it has been questioned here on the floor of this House that the price of petrol distilled in Assam out of petroleum of the Assam fields is based on the Gulf of Mexico price, may I know why it is not in the public interest to let us have the reason for this anomaly, because in business it is an anomaly that the price of an article produced out of local material is based on the Gulf of Mexico price ?

Dr. K. L. Shrimali : The reason is that the Government are entering into negotiation with other companies and it is not in the national interest to disclose the terms of the agreement which we have entered into with the Standard Vacuum Oil Company.

Shri T. B. Vittal Rao : May I ask one question, Sir.

Shri N. B. Chowdhury : May I put one more question, Sir.

Mr. Speaker : There are two questions now. We will go to the next question.

चीन को भारतीय विद्यार्थियों का प्रतिनिधि मंडल

*१९५९. **श्री रामशंकर लाल** : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सितम्बर, १९५५ में भारतीय विद्यार्थियों का कोई प्रतिनिधि मंडल चीन को जा रहा है; और

(ख) यदि हां, तो प्रतिनिधि मंडल में कितने व्यक्ति होंगे और उन्हें किस आधार पर चुना जायेगा ।

शिक्षा मंत्री के सभासचिव (डा० एम० एम० दास) : (क) हां, जी ।

(ख) ३१ चुनाव विश्वविद्यालयों न किया है ।

श्री भक्त दर्शन : क्या यह सत्य है कि विद्यार्थियों के इस दल का नेतृत्व करने के लिये किसी एक वाइस चांसलर को चुना जा रहा है और क्या गवर्नमेंट इस पर विचार कर रही कि स्वयं विद्यार्थियों के बीच में से ही नेतृत्व करने के लिये किसी को चुना जाये ?

Dr. M. M. Das : The Peking University extended their invitation through the Government of India to 10 universities of the country and the Government of India simply handed over these invitations to the universities concerned. With regard to the selection, the Government of India is nowhere in the picture.

Dr. Rama Rao : In selecting delegates from these various universities, may I know why some States have got more than one university represented in the delegation whereas several States including Andhra and Madhya Pradesh have not got even a single university represented in this delegation ?

Dr. M. M. Das : I have already stated that the Peking University extended their invitation to certain universities in India—I mean the universities in India were named by the Peking University while extending the invitation.

Shri Shyam Nandan Sahai : May I know which are those ten universities ?

Mr. Speaker : Order, order. Let us not go into those details ; we are not interested.

Diamond Mines

*1962. **Shri Ramachandra Reddi** : Will the Minister of **Natural Resources and Scientific Research** be pleased to state :

(a) how many diamond mines in India are in working condition at present ; and

(b) the production thereof in terms of money value from 1950 to 1953 yearwise ?

The Deputy Minister of Education (Dr. K. L. Shrimali) : (a) and (b). A statement giving the required information is laid on the Table of the House. [*See* Appendix X, annexure No. 17].

Shri Ramachandra Reddi : May I know whether there is a growing import of diamonds into this country ?

Dr. K. L. Shrimali : A committee has been appointed to make a survey and its report has to be considered.

Shri T. B. Vittal Rao : May I know whether any assessment has been made of the extent of diamond mines in our country ?

Dr. K. L. Shrimali : As I said before, a committee has been appointed and its report has not yet been considered.

Shri T. B. Vittal Rao : May I know........

Mr. Speaker : Order, order. He has already said that a committee has been appointed......

Shri T. B. Vittal Rao : A committee has been appointed to go into the question of Panna 'diamond field and not for the assessment of diamond mines in the whole country.

Mr. Speaker : Is that so ?

Dr. K. L. Shrimali : A committee has been appointed to consider certain aspects of diamond mining industry and make recommendations for its improvement.

Shri T. B. Vittal Rao *rose*—

School of Foreign Languages

*1964. **Shri Krishnacharya Joshi** : Will the Minister of **Defence** be pleased to state :

(a) the total number of students trained for interpretership in the School of Foreign Languages during 1954 ; and

(b) the total number of "sponsored" and "non-sponsored" students among them ?

The Deputy Minister of Dfefence (Sardar Majithia) : (a) Two.

(b) Both were sponsored.

Shri Krishnacharya Joshi : May I know in how many foreign languages training is given and may I also know what are those foreign languages ?

Sardar Majithia : Both are more or less one and the same question and I may say that the languages are : Arabic, Burmese, Chinese, French, German, Japanese, Persian, Russian and Tibetan.

Shri Krishnacharya Joshi : May I know whether this training is limited to those persons who are in service or whether fresh candidates are also selected. ?

Sardar Majithia : Normally, the candidates are selected from the Services—either in the Defence or other Ministries—but, if the vacancies are there we do take outsiders also.

Shrimati Renu Chakravartty : May I know if it is a fact that officers when they participate in the school of foreign languages and pass examinations they are given certain qualification pay, but if the same examination is passed by the ordinary airmen they are not entitled to it and often they are not even allowed to attend these classes ?

Sardar Majithia : The selection of the candidates is done entirely on merits and, therefore the point raised by the hon. Member does not arise.

Shrimati Renu Chakravartty : May I know if there is any entrance examination in which people have to qualify before entering this school of foreign languages and on the basis of which the merit is judged ?

Sardar Majithia : There is no qualifying examination.

श्री भक्त दर्शन : क्या यह सत्य है कि इंटरप्रैटरशिप का जो कोर्स है वह केवल रक्षा विभाग और वैदेशिक विभाग के कर्मचारियों के लिये ही निश्चित किया गया है ? यदि हां, तो मैं जानना चाहता हूं कि जो गैर-सरकारी लोग हैं या दूसरे विभागों के जो कर्मचारी हैं उन पर इस कोर्स में शामिल होने पर क्यों प्रतिबन्ध लगाया गया है ?

Sardar Majithia : I have already answered that question that, that is not a fact.

Income Tax Appeals

*1967. **Dr. Satyavadi** : Will the Minister of **Finance** be pleased to state the total number of appeals pending with all the Appellate Assistant Commissioners which are more than a year old on the 1st April, 1955 ?

The Parliamentary Secretary to the Minister of Finance (Shri B. R. Bhagat) : The total number of appeals which are more than a year old on the 1st April, 1955 and are pending with the Appellate Assistant Commissioners is 29,002 (twenty-nine thousand and two).

डा० सत्यवादी : क्या सरकार ने इस बात पर गौर किया है कि इन अपीलों का जल्दी फैसला करने के लिये और ज्यादा अपील सुनने वाले अथारिटीज मुकर्रर किये जायें ?

श्री बी० आर० भगत : जी हां, अभी हाल हीं में मंत्री महोदय ने यह घोषणा की थी कि पच्चीस और अपेलेट असिस्टेन्ट कमिशनर्ज बहाल किये जायेंगे और वे धीरे धीरे बहाल होने वाले हैं ।

डा० सत्यवादी : क्या ऐसी भी कोई हिदायत दी जा रही है कि इन अपीलों का फैसला करने के लये कोई खास डेट मुकर्रर कर दी जाये यानी इस अरसे में अपील का फैसला कर दिया जाय ?

श्री बी० आर० भगत : हम ने यह आदेश दिया है कि आम तौर से एक अपील में एक साल से ज्यादा न लगे ।

Shri Barman : May I know the duration for which the oldest appeal is pending ?

Shri B. R. Bhagat : I cannot say offhand, but some of the appeals are pending from 1952-53.

श्री घुलेकर : इन २९,००२ अपीलों में से कितनी अपीलें १९४० और १९४७ के बीच में की गयीं ?

श्री बी० आर० भगत : यह विवरण मैं अभी नहीं दे सकता ।

Shri Bogawat : May I know how much amount is involved in these 29,000 and odd appeals and the number of assessees involved ?

Shri B. R. Bhagat : These appeals have not been decided, and we cannot say how much amount it will come to.

Mr. Speaker : He wants to know the amount of tax assessed in respect of which these appeals are pending.

Shri B. R. Bhagat : I want notice.

Pandit Thakur Das Bhargava : Are there any appeals which are more than two or three years old ?

Shri B. R. Bhagat: There are som appeals.

Pandit Thakur Das Bhargava: What is their number ?

Shri B. R. Bhagat : I have given the number of appeals which are more than one year old.

Reserves and Auxiliaries

***1968. Shri Bhagwat Jha Azad:** Will the Minister of **Defence** be pleased to state whether any step has been taken to raise and maintain reserves and Auxiliaries for the Air Force and the Navy ?

The Deputy Minister of Defence (Sardar Majithia): It is proposed to raise some squadrons of the Auxiliary Air Force in the near future. Similar organisation for the Navy does not exist but a reserve will be built up gradually from personnel discharged from active service in the Navy.

Shri Bhagwat Jha Azad: May I know when this Act authorising Government to raise some squadrons of Auxiliary Air Force was passed and how much time has elapsed since then ?

Sardar Majithia: The Act was passed by the present Parliament and the hon. Member was a Member and he knows it. The fact is, as I have already said, this being a very young service, the people have not gone out of the service to form a reserve, and therefore, this reserve is being held back.

Shri Bhagwat Jha Azad: I wanted to know the reasons for so much of delay and the obstacles, if any, in the way of the Government for not having raised the squadrons of the Auxiliary Air Force.

Sardar Majithia: Surely, the hon. Member does not want me to send the present officers out of service into the reserve.

Shri G. S. Singh: May I know whether this delay in raising this squadron is due to the lack of suitable personnel to be recruited to it, or, it is due to financial reasons ?

Sardar Majithia: It is not due to financial reasons. As I have already said, we have not got enough ex-servicemen to raise this squadron.

Secondary Education Commission

***1969. Shri S. N. Das:** Will the Minister of **Education** be pleased to state:

(a) the present position with regard t giving effect to the recommendations of th Secondary Education Commission unde the scheme formulated by Government;

(b) whether the various State Governments have submitted their proposals for implementing that scheme; and

(c) if so, the expenditure which the Central Government have incurred and would incur during the First Five Year Plan period?

The Parliamentary Secretary to the Minister of Eduction (Dr. M. M. Das): (a) The scheme whose main feature is the conversion of existing High Schools into Multi-purpose schools has been under implementation since October, 1954.

(b) Yes, but not all States.

(c) The following amounts have so far been sanctioned :—

1954-55	Rs. 2,00,41,881/-
1955-56	Rs. 2,71,63,707/-

(*Total* amount approved so far)

Rs. 2.5 crores more are likely to be sanctioned before the end of March, 1956.

Shri S. N. Das: May I know whether any estimate has been prepared so as to show the financial implications with regard to the implementation of the recommendations of the Secondary Education Commission, and if so, what is the amount?

Dr. M. M. Das: So far as the present Plan period is concerned, non-recurring expenditure comes to a total of Rs. 1,396 lakhs, for both the Central and the State Governments. The total recurring expenditure is Rs. 1,598 lakhs for both the Central and the State Governments combined.

Shri S. N. Das: In regard to the answer given to part (c) , I would like to know what part of this amount has been spent exclusively by the Centre and what amount has been spent for the schemes in which the States are also concerned?

Dr. M. M. Das: The Central Government has got no exclusive major schemes of its own. The Central Government are giving grants to the State Governments for implementing the scheme on a matching basis. The Centre is giving 66 per cent of the non-recurring expenditure and 25 per cent of the recurring expenditure. The rest has to be contributed by the State Governments.

Shri S. N. Das: Arising out of the answer given in part (a), may I know the number of high schools that have been transformed into multi-purpose schools and the number of high schools that have been transformed into higher secondary schools?

Dr. M. M. Das: We have asked for a report from the State Governments. Up till now, we have received a report from the Coorg Government in which they say that they have established one multipurpose school. I may submit to the hon. Member that it will take some time to implement the whole scheme. The curricula and syllabi are being finalised now.

Pandit Thakur Das Bhargava: Part (c) of the question was, how much of the expenditure has been incurred and is going to be incurred. The hon. Minister has given the amount sanctioned. I want to know how much amount has been spent or incurred so far.

Dr. M. M. Das: We have not yet got the reports from the State Governments to show how much amount has been disbursed or has actually been incurred. We have given the amounts that we have sanctiond last year and the amount that has been approved up to the present time in the current year. I have also mentioned the amount that is likely to be sanctioned during the rest of the current year.

Indian High Commission, London

*1970. **Shri Krishnacharya Joshi:** Will the Minister of **Education** be pleased to state:

(a) the main functions of the Education Department of the Indian High Commission in England; and

(b) the nature of help given by this Department to Indian Students who go to United Kingdom for studies?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): (a) and (b). The Education Department looks after the welfare of Indian students in the United Kingdom. It helps them to secure admission to Educational Institutions and training facilities in Industries and Govt. Departments, and also arranges for their reception and accommodation, grant of exchange facilities, return passages and financial assistance where necessary.

Shri Krishnacharya Joshi: May I know whether it is a fact that there is a universal complaint against the Education Department of the Indian High Commissioner's Office in England that help is not given to students in getting admission and that they get admission soon if they approach the university authorities directly?

Dr. M. M. Das: We are not aware of this complaint.

Shri Krishnacharya Joshi: May I know whether any inspection of this office is being made?

Dr. M. M. Das: I think that question may be put to the hon. Minister of External Affairs.

Shri Krishnacharya Joshi: May I know the total number of Indian students in the United Kingdom?

Dr. M. M. Das: The total number of Indian students studying the United Kingdom at present is 1,998.

Shri N. M. Lingam: May I know the total expenditure incurred by the Education Department attached to the Indian High Commissioner's Office in England and the break-up of this expenditure as between the assistance rendered to the students and the expenses for administrative purposes?

Dr. M. M. Das: The budget estimate for our Education Department of the Indian High Commission in the United Kingdom for the year 1955-56 is Rs. 2,73,700. I have not got the break-up here.

Shri Raghunath Singh: I request that Q. 1939 be answered.

Mr. Speaker: Does the hon. Member hold the authority?

Shri Raghunath Singh: No; but I request that it may be answered.

Mr. Speaker: All right. There is time and the question appears to be apparently important to some extent. It may be answered.

American Citizens

*1939. **Shri Raghunath Singh**: (*on behalf of* **Shri Ibrahim**): Will the Minister of **Home Affairs** be pleased to state the number of American citizens in India who are at present engaged in:

(*i*) Business,

(*ii*) Study, and

(*iii*) Missionary work?

The Deputy Minister of Home Affairs (Shri Datar): (*i*) 302

(*ii*) 207

(*iii*) 1579.

श्री रघुनाथ सिह : इस में अमेरीकन एक्सपर्ट लोगों की जो कि हिन्दुस्तान में हैं, कितनी तादाद है ?

Shri Datar: There are experts in different branches. For example, there are technical experts who number about 206: there are dentists and there also artiss who number about 15.

Shri N. M. Lingam: Is it a fact that certain experts under the Ful bright scheme are sending reports which are derogatory to the dignity of the nation and which are sent without reference to any authority or body in this country?

Shri Datar: I am concerned only with the question of their visit to India. I do not know about reports.

Shri Bhagwat Jha Azad: May I know the reasons for this abnormal increase in percentage under the category "Missionary work" in 1954-55 as compared to 1953-54?

Shri Datar: Regarding missionaries, it is true that there has been a slight increase. That is due to a number of factors. A particular Mission which was working has gone away and others have come in that place. Some of the missionaries also carry on other work. For example, there are teachers, doctors, dentists, nurses and so on. Therefore, in some cases a departure is made and permission is granted.

Shri C. R. Chowdary: Out of the number given, how many of them are experts in the intelligence service of their country?

Shri Datar: I cannot answer that question at all.

Shri M. L. Dwivedi: May I know whether part of the work of these missionaries is to distribute butter, oil, ghee etc. through their agents?

Shri Datar: I want notice.

Shri Kamath: Is it a fact that Government has imposed or is proposing to impose a ban on the entry of all foreign missionaries-including American missionaries into India, unless they come for educational, medical or other welfare work?

Shri Datar: There is no question of ban or prohibition as such. Whenever missionaries come in, then naturally the interests of India have to be taken into account. That is the main point to be considered. Whenever there is a proposal to start new missions, then also a number of considerations are taken into account, the uppermost being the interests of India..

Shri Raghunath Singh: May I know..

छात्रवृत्तियां

*११४०. **सेठ गोविन्द दास** : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) १९५५–५६ में अस्वायत्तशासी क्षेत्रों के कितने विद्यार्थियों को सरकार छात्र-वृत्तियां देगी; और

(ख) इस पर कुल कितना व्यय होगा ?

शिक्षा मंत्री के सभासचिव (डा० एम० एम० दास) : (क) ७२ रुपये

(ख) ५४०,६०० रुपये ।

सेठ गोविन्द दास : १९५५–५६ में जितने विद्यार्थी गये, उन की संख्या क्या पहले से कम थी, और अगर कम थी तो इस का क्या कारण है ?

Dr. M. M. Das: I am sorry I have got no figures about the previous years.

सेठ गोविन्द दास : इस सम्बन्ध में क्या कोई ऐसी निश्चित योजना सरकार के पास है जिस के अनुसार यह विद्यार्थी भेजे जाते हैं ?

Dr. M. M. Das: They do not go out of India. Students are invited to study in India.

सेठ गोविन्द दास : जो आते हैं उन से ही मेरा मतलब है। इस सम्बन्ध में सरकार की क्या योजना है ?

Dr. M. M. Das: There are two schemes under which students from non-self-governing territories are invited to study in India. There is the General Cultural Scholarship Scheme and there is also the College Industries and Vocational Training Scheme. These are the two schemes under which students are invited from these non-self-governing countries.

सेठ गोविन्द दास : जहां जहां से विद्यार्थी बुलाये जाते हैं उस सम्बन्ध में क्या उन सरकारों से लिखापढ़ी होती है, और क्या उन की हर देश से कोई संख्या निश्चित है ?

Dr. M. M. Das: Yes, Sir, there is a definite quota fixed for each of these countries.

SHORT NOTICE QUESTION

Hindustan Housing Factory Limited, Delhi

S.N.Q. No. 10. Shri Gidwani: Will the Minister of **Production** be pleased to state:

(a) whether it is a fact that Government have decided to terminate the agreement in respect of the management of the Hindustan Housing Factory Ltd., Delhi with Messrs Basakha Singh Wallenborg Limited;

(b) if so, the reasons, therefor; and

(c) the financial implicatons of the contemplated steps of terminating the agreement.

The Deputy Minister of Production (Shri Satish Chandra): (a) Yes.

(b) and (c) M/s. Basasha Singh Wallenborg & Co. Ltd. who had provided Rs. 10 lakhs as working capital were unable to provide further sums required to operate the factory until expanded production and sales could enable it to become self supporting. In view of their inability to supply additional working capital and also their own request to be relieved of their obligations under the agreement, Government considered it desirable to terminate the agreement. Government have accordingly taken over the factory by acquiring the interests of M/s. Basakha Singh Wallenborg Co. Ltd. in the share capital of the Hindustan Housing Factory Limited. The losses incurred during the period that the agreement with the private firm was in force, will be shared in accordance with the settlement that has been negotiated. A statement is laid on the Table of the Lok Sabha explaining the position more fully. [*See* Appendix X, annexure No. 18]

Shri Gidwani: I find from the statement that the total losses of the company from the date of incorporation up to 16-8-1955 (on which date the Government have taken over the factory) amount to Rs. 14 to Rs. 15 lakhs and these losses also include the lease money payable to the Government by the company. May I enquire why no precautions were taken by the Government to secure the payment of the lease money from the company?

Shri Satish Chandra: The Government was an equal partner in the concern and the company was running at a loss. The adjustments will be made now.

Shri Gidwani: What is the value of the equipment of the factory for the production of cement concrete? May I enquire, if that material cannot be produced owing to various factors as stated, why

even the rates quoted for the doors and windows manufactured in the factory are not always cheaper than the rates quoted by the carpenters working in the cottage industries, as stated by the Estimates Committee in their report; May I enquire what other materials are produced in the factory so as to work the factory on an economic basis and avoid further losses?

Shri Satish Chandra : The factory, during its two years' operation by the Hindustan Housing Factory Ltd., got orders worth about Rs. 30 lakhs. These orders could not be executed till the goods were competitive. It is true that there have not been sufficient orders for the foam concrete roofing slabs, but the prestressed concrete section has been working all right.

Shri Gidwani: As the accounts of the factory have been found to be incomplete and irregular, as reported in the Audit Report (Civil) Part I, 1954, is it a fact that no reply has been sent to the Auditor's note dated November, 1954? Also, is it a true fact that to Estimates Committee, in their 13th Report for the year 1954-55, have reported that the finances of the factory are not so sound and that an independent Chartered Accountant should be appointed to examine and report on the financial accounts of the company? If so what is the decision of the Government?

Shri Satish Chandra: I will require notice as far as the accounts of the company are concerned. The fact that the finances of the company are not very sound is evident from the history of the factory.

Shri Kamath: Does the figure of Rs. 14 to Rs. 15 lakhs represent the total losses since the incorporation of the company as Hindustan Housing Factory or does it represent the total losses since the inception of this concern as the Government Housing Factory?

Shri Satish Chandra: The sum of Rs. 14 to Rs. 15 lakhs represents the losses since the incorporation of the Hindustan Housing Factory Ltd. in 1953.

According to an agreement reached with Messrs. Basakha Singh Wallenborg & Co., Ltd., who have terminated the agreement before the minimum period of 3 years, it has been decided that the Government will bear a loss of Rs. 5 lakhs only. A sum of Rs. 3.83 lakhs is, however, to be realised by the Government in the form of lease money. So, the total net loss is only about Rs. 1.17 lakhs in 2 years.

Shri S. V. Ramaswamy: May I know whether the management have asked for exemption from payment of depreciation amounting to Rs. 1.4 lakhs per annum and may I know also if the Government are aware of the recommendations of the Estimates Committee that an expert committee appointed to go into the question before this request is acceded to?

Shri Satish Chandra: An exert committee is being appointed to look into the affairs of the Factory. But, as far as the lease money is concerned, according to the terms of the agreement with Messrs Basakha Singh Wallenborg & Co., Ltd. the depreciation allowed by the Income tax authorities is equated with the rent payable by the company to the Government for placing its assets at the disposal of the company.

Shri M. L. Dwivedi: May I know whether the Ministry of Works, Housing and Supply has agreed to take over this factory and if so, what is going to be its future?

Shri Satish Chandra: The factory transferred to the control of the Ministry of Works, Housing and Supply. It would have been appropriate for that Ministry to answer this question. Because formal orders notifying the transfer have not been issued, I am replying to this question. In future all questions will have to be addressed to the Minister of Works, Housing and Supply.

Shri Sarangadhar Das: May I know. . .

Mr. Speaker: Order, order. The last answer clarifies the situation.

Shri Sarangadhar Das: I want to know the total loss.

Mr. Speaker: The Minister has already said that the factory has been transferred to the Ministry of Works, Housing and Supply and that all questions will be addressed to the Minister incharge of it.

Shri Sarangadhar Das: This is a pertinent question. What is the total loss?

Mr. Speaker: He has already stated that in the beginning.

Shri Sarangadhar Das: That is only for this period.

Shri Kamath: We will take it up next session.

WRITTEN ANSWERS TO QUESTIONS

Multi-purpose Schools

*1938. **Shri Jhulan Sinha:** Will the Minister of Education be pleased to state the progress made so far in the scheme of converting the existing Secondary Schools into Multi-purpose Schools?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): A statement showing the number of Multi-purpose Schools sanctioned so far is laid on the Table of the Lok Sabha. [*See* Appendix X, annexure No. 19].

The information relating to the actual establishment of such schools is being collected from the States concerned and will be furnished later.

Mines in Tripura

***1945. Shri Biren Dutt:** Will the Minister of **Natural Resources and Scientific Research** be pleased to state:

(a) whether any licence has been issued recently to operate mines in Tripura; and

(b) if so, for which particular region the licence has been issued?

The Deputy Minister of Education (Dr. K. L. Shrimali): (a) and (b). No licence has been issued recently to operate mines in any region of Tripura.

Historical Monuments

***1949. Col. Zaidi :** Will the Minister of **Education** be pleased to state:

(a) whether it is a fact that a number of historical monuments are being spoilt by uncontrolled building activities in too close proximity to them; and

(b) if so, the action proposed to be taken?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): (a) Yes, Sir.

(b) The question of amending the Ancient Monuments Preservation Act, 1904 to cover such cases is under examination.

Directorate For Mines

***1952. Shri Sanganna:** Will the Minister of **Natural Resources and Scientific Research** be pleased to state:

(a) whether the Government of Orissa have approached the Centre for technical assistance or otherwise in the matter of creating a separate Directorate for mines in the State; and

(b) if so, with what results?

The Deputy Minister of Education (Dr. K. L. Shrimali): (a) and (b). A statement giving the required information is laid on the Table of the House. [*See* Appendix X, annexure No. 20].

Oriental Public (Khuda Baksh) Library Patna

***1953. Shri Nageshwar Prasad Sinha:** Will the Minister of **Education** be pleased to state:

(a) whether Government have received a scheme from the Government of Bihar for effecting improvements in the Oriental Public (Khuda Baksh) Library Patna; and

(b) if so, the steps taken by the Central Government thereon?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): (a) Yes, Sir. A scheme for air-conditioning a part of the Library has been received.

(b) Some information necessary for the examinatiom of the proposal asked for from the State Government is awaited.

I.A.S. I.P.S.

***1954. { Shri H. G. Vaishnav:
Thakur Jugal Kishore Sinha:**

Will the Minister of **Home Affairs** be pleased to state:

(a) whether any quota of I.A.S. and I.P.S. officers recruited annually is fixed for every State;

(b) if so, what is the criterion for such fixation; and

(c) the basis on which I.A.S. and I.P.S. officers are allotted to the various States?

The Deputy Minister of Home Affairs (Shri Datar): (a) Yes, in so far as recruitment by Competitive Examination to these Services is concerned.

(b) The annual recruitment rate for the I.A.S. I.P.S. cadres of the various States is prescribed on an actuarial basis. Actual recruitment in any particular year may, however, vary according to the actual gaps in the State Cadres.

(c) Direct recruits to the Indian Administrative Service are allotted to the various States having regard to the preferences expressed by them and their relative positions in the merit list, as also to the policy of the Government to allot a definite proportion of 'outsiders' to each State Cadre with a view to maintain the All India charcacter of the Service. Allocation of direct recruits to the Indian Police Service Cadres of the various States is, as far as possible, made from amongst the candidates qualifying for appointment from the States concerned or an adjacent part 'C' State.

Scholarships to Backward Classes Students

***1957. Shri M. D. Ramasami:** Will the Minister of **Education** be pleased to refer to the reply given to starred question No. 1534 on the 7th September, 1955 and state:

(a) whether Government contemplate giving scholarships to students belonging to Backward Classes other than Scheduled Castes and Scheduled Tribes during 1955-56 in accordance with the past practice; and

(b) if not, the reasons therefor?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): (a) and (b). As already stated, the Government have decided to renew during 1955-56, scholarships of students belonging to Other Backward Classes who are admitted to the next higher class on passing their annual examination. As regards fresh awards to students of Other Backward Classes, whether the same principle, as was followed last year, will be followed this year also, is under consideration :

Indian Scholars to China

*1960. **Shri Janardhan Reddy:** Will the Minister of **Education** be pleased to state:

(a) whether it is a fact that according to a scheme of exchange of scholars between China and India, Government propose to send suitable graduates to China on Government Scholarships; and

(b) if so, the subjects that the students will study there?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): (a) Yes, Sir.

(b) The subjects proposed for study are: Arts subjects like Chinese Language and Literature, History, Philosophy, Political Economy and Law, Basic Sciences, Engineering, Medicine, Agriculture and Surgery, Different branches of Fine Arts, Architecture etc.

Displaced Government Servants

*1961. **Sardar Akarpuri:** Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that a number of displaced Government servants who superannuated as far back as 1952 are still continuing in service; and

(b) if so, the number of such persons?

The Deputy Minister of Home Affairs (Shri Datar): (a) and (b). No. displaced Government servant, who superannuated in or before 1952, is now on extension of service. Of such officers as were retired and re-employed, four are still in service.

The above information does not cover persons employed in or under the Railway Ministry or the Indian Audit Department.

Lime-stone Deposits

*1963. **Shri Hem Raj** : Will the Mnister of **Natural Resources and Scientific Research** be pleased to state :

(a) whether lime-stone deposits of high quality have been found at Dharam kot, Kangra District; and

(b) if so, the quantity likely to be available?

The Deputy Minister of Education (Dr. K. L. Shrimali): (a) and (b). A statement giving the required informtaion is laid on the Table of the House. [*See* Appendix X, annexure No. 21].

Application of Central Acts to Jammu and Kashmir State

*1965. **Shri Nageshwar Prasad Sinha:** Will the Minister of **Home Affairs** be pleased to state which of the Acts of Parliament are proposed to be extended to the Jammu and Kashmir State?

The Deputy Minister of Home Affairs (Shri Datar): A Statement is placed on the Table of the House. [*See* Appendix X, annexure No. 22]. Correspondence is proceeding with the State Government about the extension of a few more Acts.

Revolvers

*1966. **Sardar Iqbal Singh:** Will the Minister of **Defence** be pleased to state:

(a) the names of the firms where from revolvers were purchased for the Defence Services from the 1st April, 1954 to the 31st March, 1955 and the amount spent thereon;

(b) whether there is any provision for the manufacture of revolvers in the Indian Ordnance Factories;

(c) if so, total production of the last two years; and

(d) when India will be self-sufficient in their production?

The Deputy Minister of Defence (Sardar Majithia): (a) to (d). No revolvers were purchased for the Defence Services from 1-4-54 to 31-3-55, nor is it intended to purchase any during the next few years. The development of a .32" revolver for civilian use as well as an automatic pistol for the Services has been taken up by the Ordnance Factories. It is not in the public interest to disclose further information regarding the production of such weapons for the Services in the Ordnance Factories.

Nickel Coinage

***1971. Sardar Iqbal Singh:** Will the Minister of **Finance** be pleased to lay on the Table of the House, a statement showing:

(a) the quantity of nickel that was purchased by Government during the years from 1947-48 to 1954-55;

(b) from whom it was purchased and what price was paid for it; and

(c) how much nickel was used for the coinage of subsidiary nickel coins of four annas and eight annas during the above period?

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha): (a) to (c). I lay on the Table of the House two statements giving the required information separately for India Government Mints, Bombay and Calcutta. [*See* Appendix X, annexure No. 23].

Practical Training Stipends

***1972. Dr. Satyawadi:** Will the Minister of **Education** be pleased to state the method of selection of candidates for the practical training stipends in industrial establishments?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): A statement giving the required information is laid on the Table of the House. [*See* Appendix X, annexure No. 24].

Delhi Road Accidents

1028. Shri D. C. Sharma: Will the Minister of **Home Affairs** be pleased to state:

(a) the number of vehicular accidents in Delhi in the year 1955 so far; and

(b) the number among them which proved fatal?

The Deputy Minister of Home Affairs (Shri Datar): (a) Seven hundred and seventy nine (upto 16-9-55).

(b) Sixty five.

Tobacco Excise Duty

1029. Shri D. C. Sharma: Will the Minister of **Finance** be pleased to state:

(a) the total income that accrued to Government from the levy of excise duty on tobacco during 1953-54 and 1954-55 in the Punjab State; and

(b) the total expenditure incurred on the administration during these years for the collection of this duty;

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha): (a) and (b). A statement showing the required information is placed on the Table of the Lok Sabha. [*See* Appendix X. annexure No. 25].

Central Government Offices

1030. Shri D. C. Sharma: Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that for reasons of administrative convenience certain offices of the Central Government have been recently opened in Punjab; and

(b) if so, the names of those offices and the places where they are located?

The Deputy Minister of Home Affairs (Shri Datar): (a) and (b). A statement showing the offices of the Central Government located in the Punjab is attached. [*See* Appendix X annexure No. 26] Information as to when these offices were opened is not, however, readily available.

अन्दमान द्वीपसमूह

१०३१. श्री कृष्णाचार्य जोशी : क्या गृह-कार्य मत्री यह बताने की कृपा करेंगे कि फरवरी, १९५४ में सर्किट कोर्ट सेशन द्वारा अन्दमान द्वीपसमूह में कितने मामले निबटाये गये ?

गृह-कार्य उपमन्त्री (श्री दातार) : दो पहली मिसलेनिअस अपीलें, एक पहली अपील और दंड विधान (क्रिमिनल प्रोसीज्योर कोड) की धारा ४३८ के अन्तर्गत भेजा हुआ एक (रेफरेन्स) मामला ।

Licensed Firearms

1032. Shri Ibrahim: Will the Minister of **Home Affairs** be pleased to state the number of licensed firearms in India in civilian possession excluding foreigners on the 15th August, 1955 (Statewise)?

The Deputy Minister of Home Affairs (Shri Datar): A statement showing the requisite information in repect of the States from whom replies have so far been received is laid on the Table of the House [*See* Appendix X, annexure No. 27].

Information in respect of other States will be laid on the Table of the House when received.

Tungsten Ore

1033. Shri Ibrahim: Will the Minister of **Natural Resources and Scientific Research** be pleased to state:

(a) the total production of Tungsten Ore in India during the last three years;

(b) the quantity exported and the names of the countries to which it was exported; and

(c) the total internal demand therefore?

The Deputy Minister of Education (Dr. K. L. Shrimali): (a)

1952	10 tons.
1953	15 tons.
1954	1 ton.

(b) Only 10 tons of Tungsten ore were exported to U.S.A.

(c) There is at present no demand for the ore in the country.

Primary Schools (Hyderabad)

1034. Shri M. R. Krishna: Will the Minister of **Education** be pleased to state whether any amount has been sanctioned so far to the Government of Hyderabad for increaisng the number of Primary Schools in the States?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): Yes, Sir.

Under-ground Tunnel

1035. Shri Raghunath Singh: Will the Minister of **Education** be pleased to state:

(a) whether it is a fact that an underground tunnel ten miles long has been discovered by the Department of Archaeology in Jaisalmere State; and

(b) if so, the light that it throws on the Indian histroy?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): (a) In the course of a recent excavation for a well under construction by the Military Engineering Service stationed at Jaisalmere, a natural cave 7 feet high and about 5 feet wide was discovered at a depth of 180 feet. It is not a tunnel but a cave in the rock running a few feet.

(b) Except a tradition that an Oswal (Jain) who built the temple at Ludharva used to come for worship through an underground passage from Jaisalmere to Ludharva, there is nothing historical known about this. At the moment its date cannot be determined.

Cantonment Traffic Regulations

1036. Chaudhuri Muhammed Shuffee: Will the Minister of **Defence** be pleased to state the number of military officers and *jawans* who are held up for breach of traffic regulations and were *challaned* by the Cantonment Police in all the Contonments of India since the 1st May, 1955?

The Deputy Minister of Defence (Sardar Majithia): The information is being collected and will be placed on the Table of the House.

छात्रवृत्तियां देने के लिये बोर्ड

१०३७. श्री आर० एस० तिवारी : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या अनुसूचित जातियों, अनुसूचित आदिम जातियों और अन्य पिछड़े वर्गों के विद्यार्थियों को छात्रवृत्तियां देने के लिये वर्ष १९५५-५६ के लिये बोर्ड फिर से बनाया गया है, या पुराना बोर्ड अभी भी काम कर रहा है ; और

(ख) यदि नया बोर्ड बनाया गया है, तो बोर्ड के नये सदस्यों के नाम क्या हैं ?

शिक्षा मंत्री के सभासचिव (डा० एम० एस० दास) : (क) यह बोर्ड १९५५-५६ के वर्ष के लिये फिर से बनाया गया है ।

(ख) १९५५-५६ के वर्ष के लिय फिर से बनाये गये बोर्ड के सदस्यों की सूची सभा पटल पर रख दी गई है । **[देखिये परिशिष्ट १०, अनुबन्ध संख्या २८]**

प्रादेशिक सेना

१०३८. श्री आर० एस० तिवारी : क्या रक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) प्रादेशिक सेना में भर्ती के लिये किन योग्यताओं की आवश्यकता होती है; और

(ख) प्रति वर्ष प्रति व्यक्ति औसतन कितनी राशि व्यय की जाती है ?

रक्षा मंत्री (डा० काटजू) : (क) कोई भी व्यक्ति जो भारत का अधिवासी है, प्रादेशिक सेना में भर्ती हो सकता है बशर्ते कि उस का स्वास्थ्य ठीक हो और उस की अवस्था एक निश्चित सीमा के अन्दर हो। प्रादेशिक सेना अधिनियम १९४८ की धारा ६ तथा प्रादेशिक सेना नियम १९४८ के नियम ४ में सारा ब्यौरा दिया हुआ है।

(ख) यह सूचना देना जन-हित में न होगा, क्यों कि इस की सहायता से प्रादेशिक सेना की वर्तमान संख्या मालूम की जा सकती है।

Requisitioned Lands

1039. **Shri Jhulan Sinha:** Will the Minister of **Defence** be pleased to state:

(a) the total area of land requisitioned for military purposes during 1942-43 in Bilaspur-Kandhly, Dehradun;

(b) how much of it has been actually released to the owners; and

(c) the decision with regard to the rest?

The Deputy Minister of Defence (Sardar Majithia): (a) 366,14 acres.

(b) 166.53 acres.

(c) Out of 199.61 acres an area of 10.5 acres is being acquired by the U.P. Government with a view to giving compact agricultural lands to the dislodged villagers whose scattered lands are under requisition. The rest of the area is still required by the Defence Services.

Central Services

1040. **Shri J. R. Mehta:** Will the Minister of **Home Affairs** be pleased to state:

(a) whether it is a fact that there are certain Central Services for which selections made through All-India competitive tests conducted by the Union Public Service Commission, hold valid until all the successful candidates have been absorbed, while there are other Central Services where selections made in an identical manner hold valid only for a limited period and where in consequence fresh selections are made before all the successful candidates in the last competition have been absorbed;

(b) if so, which are the Central Services falling under either of these two categories; and

(c) what are the reasons for this differential treatment in respect of candidates eligible for Services of either of these two categories?

The Deputy Minister of Home Affairs (Shri Datar): (a) No.

(b) and (c) Do not arise.

टैक्निकल संस्थाओं को ऋण

१०४१. **श्री के० सी० सोधिया** : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) टैक्नीकल संस्थाओं को विद्यार्थियों को छात्रावास बनाने के लिये ऋण के रूप में १९५४–५५ और १९५५–५६ (अब तक) कितनी राशि दी गई है; और

(ख) प्रत्येक संस्था को कितनी राशि दी गई ?

शिक्षा मंत्री के सभासचिव (डा० एम० एम० दास) : (क) तथा (ख) मांगी गई जानकारी का विवरण सभा पटल पर रख दिया गया है [**देखिये परिशिष्ट १०, अनुबन्ध संख्या २९**]

International Bank

1042. **Shri M. Islamuddin:** Will the Minister of **Finance** be pleased to state the number of Indian Staff working at present in the International Bank for Reconstruction and Development?

The Minister of Finance (Shri C. D. Deshmukh): As far as Government are aware, there are three Indians working at present on the staff of the International Bank for Reconstruction and Development.

U.S.A. Assistance

1043. **Sardar Akarpuri:** Will the Minister of **Finance** be pleased to state:

(a) the quantum of aid that has been promised so far to India under the various Technical Assistance Programmes by U.S.A.;

(b) how much was actually given; and

(c) how much of it has been availed of?

The Minister of Finance (Shri C. D. Deshmukh): (a) and (b). The aid authorised by U.S.A. under the Indo-U.S. Technical Cooperation Programme between 1951-52 and 1954-55 (including Development Assistance) amounts to $244 million (Rs. 116 crores approximately).

(c) The authorised aid has been fully availed of and Operational Agreements have been entered into committing all the funds made available for expenditure on agreed projects.

Smuggling of Diamonds

1044. Shri Ramachandra Reddi: Will the Minister of **Finance** be pleased to state:

(a) the value of diamonds smuggled from Goa to India during 1953-54 and 1954-55; and

(b) the expenditure incurred by Government on the anti-smuggling and preventive staff on the borders of Goa during the above years?

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha): (a) There was no seizure of diamonds smuggled from Goa during the periods 1953-54 and 1954-55;

(b) The expenditure incurred by the Government of India on the anti-smuggling and preventive staff on the borders of Goa and Daman was Rs. 2410,159/- in 1953-54 and Rs. 25 41,764/- in 1954-55.

मध्य भारत में केन्द्रीय कर

१०४५. श्री ग्रमर सिंह डामर : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) मध्य भारत राज्य से ग्राय कर के रूप में १९५३–५४ ग्रौर १९५४–५५ में कितनी राशि वसूल की गई है, ग्रौर कितनी राशि वसूल करना शेष है; ग्रौर

(ख) उक्त वर्षों में मध्य भारत म स्थित केन्द्रीय ग्रफीम ग्रौर उत्पादन शुल्क विभागों की शाखाग्रों से सरकार को कितनी ग्राय हुई है ?

राजस्व और रक्षा व्यय मंत्री (श्री ए० सी० गुहा) : (क) मध्य भारत में १९५३–५४ ग्रौर १९५४–५५ में ग्रायकर से क्रमानुसार ८२.६ लाख ग्रौर ५७.८ लाख रुपये वसूल हुए; पहली ग्रप्रैल १९५५ को वसूल की जाने वाली शेष रकम ४९.२ लाख रुपये थी ।

(ख) मध्य भारत में उत्पादन शुल्क (एक्साइज ड्यूटी) से १९५३–५४ ग्रौर १९५४–५५ में क्रमानुसार १,४७,८२,००० ग्रौर १,९७,६२,००० रुपये की ग्रसल ग्रामदनी हुई ।

१९५३–५४ ग्रौर १९५४–५५ मे मध्य भारत में उत्पादित अफीम से हुई ग्राय के सम्बन्ध में ग्रांकड़े इकटठे किये जा रहे हैं ग्रौर ज्योंही यह उपलब्ध हो जायेंगे सदन की मेज पर रख दिये जायेंगा ।

Tuesday,
20th September, 1955

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(Part II—Proceedings other than Questions and Answers)

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NEW DELHI

SIX ANNAS (INLAND) TWO SHILLINGS (FOREIGN)

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LOK SABHA

Tuesday, 20th September, 1955

The Lok Sabha met at Eleven of the Clock

[Mr. Speaker *in the Chair*]

(*See Part I*)

12-03 P.M.

MOTION *RE* WHITE PAPER ON G. A. T.T.—*contd.*

Mr. Speaker: The House will now proceed with the discussion on the White Paper on General Agreement on Tariffs and Trade. Out of the 6 hours allotted for the discussion, about 3 hours and 15 minutes was availed of yesterday. This means that the discussion will conclude today by about 2-45 p.m.

There is about in my mind as to whether the 20 minutes which had to be abandoned for want of quorum should not be included in the time for this business.

Shri T. B. Vittal Rao (Khammam): That would be punishing the other Members.

Mr. Speaker: Hon. Members will see that when we arrange a particular business and allot time, it is on the assumption that the Members will take care to see that they remain present. I do not say of Members who are particularly keen to speak in the House on this question. Otherwise, there is no meaning in that kind of planning. We shall always be lagging behind. The question is now to find 20 minutes. Therefore, I just invite the attention of hon. Members that when we are planning the whole thing, let us keep to the plan. Of course, the question of 20 minutes may appear to be small.

Pandit Thakur Das Bhargava (Gurgaon): We rose at the 5-30; it is 30 minutes.

Mr. Speaker: It is a bigger question then. Whatever it may be, I expressed to hon. Members the doubt in my mind. I do not propose to enforce this kind of thing just now. But, they will remember it. Otherwise, if they are not willing to sit beyond the 1st of October, if they are not willing to sit beyond 5 o'clock, if they are not willing to curtail the time for discussion, if they are not prepared to maintain quorum in the House, how is the business to go on? Though, it is called Government business. But, it is the business of the entire House.

Shri Kamath (Hoshangabad): In all earnestness may I make a helpful suggestion, Sir? Instead of sitting one hour more on every day, most of the Members might consider that the session may be extended by 3 or 4 days and we may get 20 hours. Many Members are willing.

Some Hon. Members: No, no.

Mr. Speaker: Order, order. The hon. Member will see that that is not

[Mr. Speaker]

possible. It interferes with the hon. Members' programme of work outside this House. We cannot be indefinite in that manner and keep Members hanging as to when the session is going to end. If we cannot plan a session, a doubt may well be expressed as to how we may plan the entire planning programme for five years. Let us be keen to stick to the programme. We frame it as carefully as possible. Let there be no premium on the laxity of the Members in not keeping to time or not being willing to sit. They have to sit if they want time and want discussion. We will now proceed with the discussion.

As I stated, after the Motion is disposed of by about 2-45 p.m.—I am not excluding the 30 minutes; I am adding it—the House will take up the discussion on motions for reference of the Representation of the People (Amendment) Bill and the Representation of the People (Second Amendment) Bill to Select Committees for which 16 hours have been allotted.

Shri Kamath: May I submit in all humility, Sir, the record shows that Shri T. T. Krishnamachari stated at 2-25 and Shri Kasliwal finished at 5-35. I am not taking any exception to your ruling; it has to be upheld in this house. But, I submit that the time taken yesterday was 3 hours and 10 minutes. Now, we have started at 12....

Mr. Speaker: This is a small arithmetical adjustment. We need not take time over this discussion. The House will get the 6 hours allotted.

Shri Viswanatha Reddy (Chittoor): Yesterday, several hon. Members dwelt at considerable length over the basic principles underlying the G.A.T.T. and the objectives sought to be achieved by means of this. I do not purpose to dilate further on this aspect of the subject. I would like to refer particularly to one thing. Apart from the speech of the hon. Minister, the speech of Shri Bansal, whose speeches usually are entitled to respectable hearing in this House, he having been a member of the Indian delegation to the G.A.T.T., was specially notable for the very lucid way in which he explained the various principles of the G.A.T.T. I would also like to tell the House about the excellent article on the subject written by my hon. friend Shri Kasliwal which has decribed a totally obscure subject, as has been mentioned by the hon. Minister himself, in a very understandable way and given a clear picture of the activities of the G.A.T.T. I would very much like to commend that article for the consideration of hon. Members. As I said, I would not like to dilate further on those principles; I would confine myself to one or two points which were not raised yesterday during the discussion.

[MR. DEPUTY-SPEAKER *in the Chair*]

I would like particularly to draw the attention of the hon. Minister and of the House to the question of waivers. I find that the U.K. as well as the U.S.A. have asked for and got waivers in respect of two items. The U.K. has secured waiver in respect of products from their colonies. They wanted protection in that respect and the G.A.T.T. has sanctioned that protection. Similarly, the U.S.A. has obtained waiver in respect of import of agricultural commodity into that country in order to sustain their policy of price support to agricultural commodities within the U.S.A. I should think that we should have obtained waivers for our products of cottage industries in this country. The products of cottage industries are, if I might be permitted to use that term, of a very selective character. They can be classed primarily as consumer articles and the marketing of these commodities outside this country is subject to individual taste and individual selection. In respect of these products, it would have been very easy for India to have obtained waiver in G.A.T.T. I have some authority with respect to this view in the Fiscal Commission's recommendations of 1949-50 in which they say that the special export requirements of the unorganised cottage and small-scale industries which depend on the foreign markets to a large extent should be borne in mind when India enters into trade negotiations with foreign countries. Therefore, it is quite imperative and even at this stage, we should try and secure waiver for the products of cottage industries and see that the articles of the G.A.T.T. do not apply to these products.

Secondly, I would like to refer to the bilateral agreements that we might be entering into with countries like the Soviet Union and China. The House knows that in these countries trade, foreign trade especially, is carried on at a State level. Therefore, whatever bilateral agreements we are likely to enter into with these two countries will not be actuated purely from a commercial or a business point of view. There might be other factors coming in the way and influencing the agreements that we enter into with them on a bilateral basis. I have got a certain doubt in respect of these bilateral agreements. As far as the countries within the G.A.T.T. are concerned, the bilateral agreements will have multilateral effects, but with regard to the countries which are outside the GATT, I am not quite clear whether they also will have a multilateral effect. If they do not have a multilateral effect, I suppose there is nothing to object to, but if at a later stage the Soviet Union or China do come into the GATT, then, the other bilateral agreements that we might enter into with, with those countries will have a multilateral effect. In that case, the agreements which would be actuated not purely by a business motive, but by other considerations also will have a multilateral effect, and that might act very much to our disadvantage in the matter of our foreign trade. Therefore I would suggest very strongly that we should obtain waiver in respect of at least some specific articles with regard to our agreements with the Soviet Union and China and certain other countries in which foreign trade is in the hands of the State.

Yesterday when I was hearing the speech of the hon. Minister I thought he was trying to express the view that the International Monetary Fund should have some link with the GATT. The view expressed by Mr. Butler, the Chancellor of the Exchequer, was that the International Monetary Fund should have a considerable amount of alliance with the GATT. But when I read the speech of the hon. Minister carefully this morning, I found that he actually was opposing that view. I am very happy to know that this view is being opposed by the hon. Minister because if the International Monetary Fund which is a purely financial organisation is linked with the GATT there may be a hidden coercive influence that might be placed on the GATT through the activities of the International Monetary Fund. That will naturally act to our disadvantage and it might be to the advantage of some of the very well-developed countries like the United Kingdom and the United States of America who have got great influence in the International Monetary Fund itself. Therefore, I must say that under no circumstances should we agree to the linking of IMF activities with the GATT to any extent.

I would like to refer to another matter. The GATT has been described as economic internationalism. This is opposed to the view of nationalism in economic affairs which in the past has led to the consequences which are well known to the House, namely, tariff walls, trade wars and so on. We in our own country had some functional experience with regard to international agreements on trade. Though our political position in those days was not so enviable, we had after the

[Shri Visvanatha Reddy]

Ottawa conference of 1932 some experience of international agreements, though those agreements were not to our advantage very often. As the hon. Minister has said yesterday, two basic principles, namely, non-discrimination and observation of certain rules of conduct have been accepted without any reservation by our country. It is only with regard to the removal of any impediments in foreign trade that we have accepted and we have put forth the view which has been accepted later on by all the GATT countries. Yesterday the House was told also about the role that India played in the GATT conferences, the role of championing the cause of under-developed countries. The provisions that are in the GATT with regard to this aspect of the matter are quite adequate and a considerable amount of flexibility has been achieved in the matter of imposing tariffs, particularly for the under-developed countries, and also with regard to the provisions regarding quantitative restrictions, the articles are very much to the advantage of the under-developed countries, and I should think that as time goes on, the various articles under which we will take adequate action will result in a total improvement in our external trade. Certain articles, particularly article XVIII to my mind is the operative portion of this part of the GATT agreement and it has been described at very great length by the hon. Minister yesterday. This article is going to give us great advantage in our international agreements with other countries.

With regard to the protection for new undertakings, certain provisions in the GATT, agreement have been mentioned yesterday by Shri Bansal and several other hon. Members. I approach this subject with a great deal of apprehension, not only because, as the hon. Minister said yesterday, of the abstruse nature of the subject, but also because I was not able to lay my hand on any figures or documents describing our experiences during the past seven years as members of the GATT. Though I am sure there must be some document or some record of our activities describing the advantages we have derived thereby, I was not able to lay my hands on that matter. However, I feel confident that our experience during the past seven years as members of the GATT has been to our advantage for the figures here given in this brochure show that as far as our volume of trade with the GATT countries is concerned, the percentage of our trade with the GATT countries as compared to our total trade is only 25·8 per cent. as far as exports are concerned, and 21·31 per cent. as far as imports are concerned in the year 1953-54. And of course, the figures are given for 1952-53 as well as 1948-49, but the percentages are still lower during those years. However, it is our expectation that our trade with the GATT countries will go on increasing from year to year and the sum total of the trade carried on with other countries also will gradually increase. After all, the two main objectives of GATT, as has been said yesterday, are, firstly to increase the total amount of trade of the whole world, and secondly, to achieve the convertibility of various currencies in various countries as early as possible. The first objective, namely a total increase in trade, is already well on the way of being achieved. As for the second objective, namely the complete convertibility of currencies in various countries, it will not be a distant date when we would have achieved that objective also.

Some criticism has been levelled in regard to the GATT in this House. Shri K. K. Basu referred yesterday to the fact that the USA may not accede to the GATT. But it has been given out in the brochure supplied to us that the President of the USA has agreed to certain articles of the GATT, in respect of which he had the authority to accede on behalf of the Government of the USA; and with reference to certain articles which had got to be referred to the Congress of the USA for getting their approval, steps are being taken to see that such approval is obtained as early a date as possible. Therefore, there is nothing in the articles of the GATT to show that at any time either the USA or the UK or any other country which is economically more advanced than we will have an unfair advantage over underdeveloped countries.

I would, therefore, commend the GATT and the measure that Government propose to take under it, for the acceptance of the House.

Shri S. V. Ramaswamy (Salem): After the first world war, there was great confusion in the matter of international trade. If that was not repeated after the second world war, it was largely due to the GATT. But for the GATT, we would have been in a bedlam with conflicting interests, international trade being bottled up and restricted; and we would not have had that freedom of trade which we have had since that war. But that is not to say that the GATT is perfect. It is true that 34 countries have participated in it, there have been 123 agreements under it, and the items relate to as many as 45,000 goods. But there is still some point in the remark made by Shri K. K. Basu yesterday, that the GATT is still an Anglo-American performance.

He pointed out rightly that large portions of the world including Russia, China and the Soviet countries are outside the GATT. That is true enough. But then they belong to a different system, and trade was difficult with them—and it still is, I believe—and that is why they have not been brought into this fold. There have been also political barriers. They have just begun to break up, and with the dissolution of these political barriers, I believe those countries also will ultimately join the GATT, with the result that the GATT will embrace the whole world, and will facilitate the international trade of all nations.

The main objectives of the GATT have been stated to be three, namely the elimination of discrimination, the abolition of unfair practices, and the reduction of tariff barriers. With regard to the elimination of discrimination there can be no two opinions. Economic discrimination is just as bad as racial discrimination; perhaps, it is worse. For, unless trade is free and unrestricted, nations cannot thrive. And economic discrimination is certainly a barrier which prevents the free movement of trade. That way, the GATT has done a very great service.

The second objective, namely the abolition of unfair practices such as exports subsidies and dumping, has to some extent been achieved. I say cautiously 'to some extent', because reading article XVI, I am not wholly satisfied as to the way in which that article is being implemented in practice. Article XVI reads thus:

> "If any contracting party grants or maintains any subsidy, including any form of income or price support, which operates directly or indirectly to increase exports of any product from, or to reduce imports of any product into its territory, it shall notify the Contracting Parties......"

I do not know how many of these countries have notified under this article. I would like to have information from the hon. Minister on this point, namely whether from the inception of the G.A.T.T. any country has notified the extent or amplitude of the subsidies granted by it.

It is in this connection that I recall the fears expresed by Shri G. D. Somani namely that the admission of Japan to the GATT will be somewhat dangerous, because, even before we know that Japanese trade throve because of the subsidies. It is one thing to have subsidies openly in a country, but it is quite another if the subsidies are concealed, for if the

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subsidies are concealed they become even more dangerous.

No doubt, article XVI is well-meant. But we should know how many of these countries which have subscribed to the GATT, and conformed in spirit to the well-meant purpose with it was framed, have been able to lay their cards on the table, in order that we may be in a position to know exactly where each country stands. I do not know whether there is any report available on this point. If anything is available, then the House will be thankful to the hon. Minister if he could explain the exact position.

In this connection I would like to make a reference to certain principles which the Government of India have been pursuing in the matter of granting import concesions. They have followed three principles, as I see from the Notification of 1948, and they are certainly, to my mind, very sound. The basic principles have been, firstly that concessions should be such as are demonstrably in the interests of national economy or not injurious to national economy, secondly that concessions should not relate to products in respect of which a claim to protection is likely to be made during the next three years, and thirdly that concessions should not result in an excessive loss of revenue.

No doubt, these principles are unexceptionable. Yet, in actual practice, I wish to know whether our country has gained considerably. In this connection, I would like to read what has been said in the *Summary of The Report of the Taxation Enquiry Commission* at page 61:

> "International commercial agreements also affected imports and import duty revenue. The commercial value of such agreements had to be balanced against the loss of revenue involved.
>
> The loss of revenue as a result of GATT worked out at roughly Rs. 85 lakhs in relation to the total value of Rs. 120·4 crores for imports of conceded articles. If it became possible to liberalise imports, GATT would stand in the way of securing adequate revenue.
>
> In the recent past, releases from obligations had to be obtained on a number of items both for revenue reasons and in order to grant protection".

We do not know to what extent we have been put to loss in the current year as against the total value of our trade. We would ask for enlightenment on this point also from the Minister.

Another matter relating to this is the question of Commonwealth preference, about which my friend, Shri Bansal. spoke yesterday. About that also, the Taxation Inquiry Commission has stated thus:

> "Commonwealth preference was another major international commitment. An analysis of the value of imports of preferred items indicated that their importance in India's imports had remained fairly constant and the share of the U.K. in the Indian market in preferred commodities had increased appreciably.
>
> "On the exports side, the preferences granted to India mainly related to jute manufactures, tea, coffee, woollens, biscuits, coir mats and various raw materials, such as vegetable oils, bones, hides and skins.
>
> A loss in revenue from preferences was estimated at Rs. 3·5 crores—Rs. 2·6 crores on imports from U.K. and Rs. 0·9 crores on imports from colonies."

I do not know exactly what is the position. Sometime ago, it was stated that the working of the imperial preference was not adverse to us. It is certainly a cautious statement., but in view of the observations made in the Report of the Taxation Inquiry Commission...

The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari): Has the Taxation Inquiry Commission also mentioned the profit to us by the preference that we enjoy?

Shri S. V. Ramaswamy: I do not see it here. We would like to be enlightened on that.

Shri T. T. Krishnamachari: He must ask the Taxation Inquiry Commision for it.

Shri S. V. Ramaswamy: Well, I cannot speak about a thing which is not there.

That is the position. The House would be glad to be enlightened upon the benefits of this Commonwealth preference.

In this connection, I would draw the attention of the House to the way in which to some extent the GATT has not worked to our advantage. I see from the import and export figures that concessions received by India by direct negotiation in 1948-49 were to the extent of Rs. 99 crores—I speak only in round figures. In 1952-53, the figure was Rs. 155 crores, and in 1948-49, Rs. 89 crores; 1952-53 Rs. 94 crores; 1953-54, the figure was Rs. 134 crores. As against this, the concession given by India by direct negotiations are these: in 1948-49 Rs. 89 crores, 1952-53 Rs. 94 crores and 1953-54 Rs. 89 crores. What I wish to draw the pointed attention of the hon. Minister to is this: that the relation, the proportion, of the concession to imports given by India in 1953-54 to the concessions received by India is greater than the proportion the corresponding figures in 1952-53 show. Why is this? Has the position deteriorated from 1952-53? I hope the hon. Minister will be pleased to clarify why we seem to be giving more concessions and getting less as against the figures for 1952-53.

I would also draw the attention of the House to another factor. The break-up of import trade covered by concessions directly and indirectly into food items, chemicals, drugs etc. show the following figures: out of a total of Rs. 89 crores in 1948-49, machinery and equipment account for Rs. 19 crores, out of a total of Rs. 94 crores in 1952-53, the same item works out to Rs. 25 crores, and in 1953-54, out of a total of Rs. 89 crores, this figure works out to Rs. 21 crores. It is this disquieting feature about the import of machinery and equipment to which I am drawing attention. In 1948-49 it is Rs. 19 crores, in 1952-53 it is Rs. 25 crores, but in 1953-54, it is Rs. 21 crores. When we are trying to increase the tempo of industrial development in this country, how it is that we are not able to bargain for concessions in the import of machinery to a greater extent than we have actually done in 1953-54? The position in 1952-53 was Rs. 25 crores, but there is a steep fall in 1953-54 to Rs. 21 crores. I should have anticipated that in view of the great desire in this country to accelerate the pace of industrialisation, we should have wrung out more concession in the matter of import of macinery and equipment than the figures for 1953-54 show.

Shri T. T. Krishnmachari: May I ask my hon. friend what he is quoting from? I cannot understand what he is saying.

Shri U. M. Trivedi (Chittor): Most of us are in the same position.

Shri S. V. Ramaswamy: I am sorry I have not made myself understood. I shall repeat it. I am quoting figures...

Shri T. T. Krishnamachari: What are those figures?

Mr. Deputy-Speaker: The hon Member will kindly say what it is that he is pressing upon the attention of the hon. Minister and upon the House, and then support it by arguments. What he feels is that there are, no doubt, figures being given, but for what purpose?

Shri S. V. Ramaswamy: The position is this—I will repeat it. The concessions that we have wrung out for import of machinery show a lesser figure in 1953-54 than it was in 1952-53. The concessions that we have wrung out in 1948-49, were to the extent of Rs. 19 crores. Now, in 1952-53, it is

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Rs. 25 crores, but in 1953-54, the figure is Rs. 21 crores. We ought to have benefited by writing out more concessions for the import of machinery and equipment—that is what I am submitting. My figures may be wrong.

Shri T. T. Krishnamachari: No, no. The figures are correct, but the reading of those figures is wrong.

Shri S. V. Ramaswamy: I should like to be corrected if my reading is wrong, if my inference is wrong.

Shri S. V. Ramaswamy: But this is the point that I wish to urge.

Mr. Deputy-Speaker: The hon. Member's point is that in the matter of such concessions, getting some concession for things for which we have a monopoly, is not concession at all,—regarding those articles which we can have here to the detriment of our own articles. On the other hand machinery is one, for which we must get concessions taking as much advantage of it as possible. That is what he is driving at.

The Minister of Commerce (Shri Karmarkar): That is what he is driving at, but what he said was different.

Mr. Deputy-Speaker: The hon. Minister may have a different view.

Shri T. T. Krishnamachari: On imports there is no question of concessions, because in imports the concession that we give to the other country is by way of reduction of duties. If we merely say that our import of machinery from any particular quarter with which we have an agreement has dropped, it does not mean anything at all, because the concessions are concessions given from us to the other country by way of reduction of duties.

Shri Velayudhan (Quilon *cum* Mavelikkera—Reserved—Sch. Castes): That is restriction.

Shri S. V. Ramaswamy: You have stated my case very well.

Mr. Deputy-Speaker: The hon. Minister seems to say that this is a matter relating to tariff concessions. We import less for want of capacity to purchase or for want of capacity to supply. But the question of tariff concession does not come in.

Shri Karmarkar: You have understood it much better.

Shri S. V. Ramaswamy: I am sorry the Treasury Benches have not understood my point.

Mr. Deputy-Speaker: In spite of discussion over 15 minutes, if one is not able to understand the other, let each have his own wisdom for himself. All that the Minister wants to say is that the question of tariff concession does not enter in to the picture, so far as imports are concerned.

Shri Karmarkar: Yes.

Shri S. V. Ramaswamy: Then I pass on to article XVIII.

Mr. Deputy-Speaker: When we show some concession, it is for them to say, 'we are willing to show some concessions'. We have not got more machinery mainly because they were not able to supply or because we did not have sufficient funds. Therefore, all that is said, is that this question is not relevant for the purpose of finding out if the general agreement relating to tariff is a beneficial agreement or not. The point has been made clear. Of course the hon. Member is entitled to hold his own view. The Minister will hold his own view. Let us go on.

Shri S. V. Ramaswamy: I may convince the House.

Mr. Deputy-Speaker: We shall also get convinced.

Pandit Thakur Das Bhargava: They shall hold their own views. But what shall we conclude?

Shri U. M. Trivedi: Now he will speak to that we can understand.

An Hon. Member: Carry on.

Shri S. V. Ramaswamy: I can supply the reasoning but not the understanding to the hon. Member.

Shri U. M. Trivedi: That is a master-roke.

Shri S. V. Ramaswamy: About Arti-e XVIII...

Mr. Deputy-Speaker: The hon. Mem-er must now conclude. He has ready taken seventeen minutes.

Shri S. V. Ramaswamy: Article XVIII the most important article about hich I have only two points. The nguage employed therein is some-hat difficult to understand. I can nderstand a legalistic description can-ot be found in a trade agreement or n an agreement dealing with trade. evertheless there is some difficulty am reading from the Review of the ATT with respect to Article XVIII:

> "The contracting parties recognise that the attainment of the objectives of this Agreement will be facilitated by the progressive development of their economies, particularly of those contracting parties the economies of which can only support low standards of living and are in the early stages of development".

I find the paragraphs 4(a) and 4(b) show concessions in that respect. For instance paragraph 3(a) reads thus:

> "Consequently, a contracting party the economy of which can only support low standards of living and is in the early stages of development shall be free to deviate temporarily from the provisions of the other Articles of this Agreement, as provided in Sections A, B and C of this Article".

The difficulty will arise—I do not know whether it will arise immediately— if the country is treated as having come out of the 'early stage of development' but still has a low standard of living. We might have developed our economy but still we might have a low standard of living. In that case will we be able to have the benefits of paragraphs 4(a) and 4(b)? I am not clear about this. Perhaps it does not arise immediately. But what exactly is meant by "low standard of living" is not defined anywhere; nor is there any definition of the concept of "early stages of development". What is the standard, what is the *per capita* income that would determine whether a country is having a low standard of living or not? And what is the yardstick by which you judge whether a country is in the early stages of development. These, to my mind, require clarification and I hope the hon. Minister will explain the position.

The second point about Article XVIII is in relation to waivers. That is not in the Agreement but we find that the U.K. and U.S.A. have claimed waivers, the position with regard to the United States has been stated by the official spokesman thus:

> "In connection with the review of the quantitative restrictions, the contracting parties, by a separate decision, dealt with the conflict which may occasionally arise between action required under U. S. legislation and the provisions of the agreement dealing with quantitative restrictions and additional charges on imports. The contracting parties adopted a decision, effective forthwith, which recognises the difficulties arising from the terms of Section 22 of the U.S. Agricultural Adjustment Act, permits the U.S.A. to apply measures under this legislation, but at the same time preserves the right of a contracting party whose trade is damaged by import restrictions or charges imposed under that Act to have recourse to the procedure of the Agreement for adjusting the balance through negotiation or otherwise."

What exactly is meant by the word "otherwise" is, I believe, a matter for explanation by the hon. Minister.

So far as the United Kingdom is concerned the position was stated thus:

> "In conection with the proposals for assistance for economic development, and in view of the special resposibilities of the U.K. towards its colonies, the contracting parties, by a separate decision, extended to the U.K. the right, effective

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immediately, to give special assistance to its colonial territories which depend largely on the U.K. market, through actions which would otherwise have been inconsistent with the provisions of the Agreement."

To my mind these two waivers strike at the root of the GATT. My friend Mr. Reddy suggested that we should also claim waivers. I would rather that the United States and the United Kingdom give up their waivers.

Shri Velayudhan: I have gone through the blue-print submitted to this House regarding the GATT thoroughly, and also the other relevant materials regarding it which I had occasion to study on some former occasion also. As is being experienced here, the subject that we are dealing with today has become dry. It is not easily understandable to the common man. I was therefore feeling a little difficulty as to how it can be interpreted for the benefit of the common man, because when a subject like Economics becomes theoretical or dry it stands far away from the interest of the common man. There is some thing basically using with such economy.

The historical background given by the Government regarding the GATT is, to some extent, a chronological one. Only limited picture is produced here by the Govt. here. There is an important aspect of the background which it left untouched or ignored. This GATT had its origin during war time when the allies were fighting to defeat their enemy and when the economy of the whole world was in a chaotic or difficult condition. It must be remembered that in 1942 a mutual agreement was entered into between the allies in which Soviet Union also was a partner and the Havana Charter came later on when the Soviet Union dissociated with it. There were certain economic forces working behind, the Havana Charter and that is why the General Agreement on Tariffs and Trade has come as a kind of Western Imperialism rather than as an international trade agreement.

I must submit to you, Sir, as you were also a members of the Fiscal Commission, that this General Agreement on Tariffs and Trade as it is evolved today has got a fundamental defect, a fundamental drawback. Because, not only under-developed countries but countries which are fully developed, both in Asia and in Europe, have not co-operated with this Agreement, and therefore we have every reason to entertain doubts about the working of this so called great international institution of which we have become a member with great pride and hallow.

I know we have a historical link with the West and our economy is tied down with the west, and it is very difficult for us to come away from it suddenly. We can only do it gradually. But one day we will have to come out of the ties and shackles of the Western economy and the people of India are for such a development. We will have to look at the interest of Asia as a whole. The Bandung Conference has given a clear lead in this direction. I am sorry to say that when this GATT revision was discussed and when we were also a party to it, we had not thought of this particular point; we have practically ignored it altogether. One of the very important decisions in the Bandung Conference was the economic collaboration of the Asiatic countries or the Afro-Asia countries. Even though it was a resolution it had a great significance. For the development of Asia and Africa that resolution will have to be worked out. This Agreement which we have entered into with organisations like the GATT have got a counter bearing on the Bandung decision. Countries like China and East European countries or the Central European States have not come into the orbit of the GATT organisation. We have to realise that we are an underdeveloped country in

Asia and we have to see whether this Organisation has done the good which we expect from it.

In this connection, the greatest or the biggest Indian business organisation, the Federation of Indian Chamber of Commerce has expressed its doubt from the very beginning about the GATT and those doubts have not been removed even though the GATT was reviewed at the last Conference in Geneva. The resolution of the Federation was read before the House yesterday by Shri Bansal, who is the Secretary-General of that Organisation. He himself expressed some doubts as I am expressing now because an under-developed country like India cannot have the full advantage by joining this organisation. On the other hand we will have a lot of disadvantages—to our development. That is my genuine fear. India will have to develop an economy of her own in relation to the Asiatic countries so that in the long run we must get out of the economic imperialism which was practised on us by the West and which had no relation with the people's interest or with the interest of Asia as a whole.

Yesterday my hon. friend, Shri Bansal was also saying something about imperial preferences. This particular question was discussed in this House more than once. It was even discussed in the Constituent Assembly and in the last Parliament and till now the Government have not come out with a candid expression of their views regarding the ending of these imperial preferences. Countries like Pakistan and Burma have reviewed the whole situation and they are practically in a better position that India, as far as imperial preferences are concerned. Why should we not end these imperial preferences? It rests which the Commerce Ministry or the Minister to come forward with a candid expression of the Government's views regarding imperial preference or why it should still continue, or why it has not been ended once for all so that our trade and commerce may have better advantage. They will have to give an explanation to this House as well as to the people of this country. If the continuance of these imperial preferences is to our advantage, certainly, we can agree to them. But. the Government has always been silent on this great national issue and it cannot, I think, with a responsible feeling, continue this silence for long.

Pandit Thakur Das Bhargava: If it is advantageous to both.

Shri Velayudhan: I do not disagree with that. But, it is not of advantage to India. That is the difficulty and that is why the Government is still continuing that silence. You yourself and the elder member of this House Shri B. Das, have spoken against the imperial preferences and it is very difficult for us to understand why Government is still continuing the silence over this issue.

What is the pattern of development that we in Asia, the under-developed countries, want? We want the people's interests to be kept in view, India is now developing a particular kind of economy along with the Asian countries and the socialist countries like China. Take, for example, a country like China. Within these 6 years she has made rapid progress, in her industry as well as in the agricultural field. I have seen only a fortnight back—the great progress that has been made by China. I was most surprised at China's wonderful achievement within the last 6 years. I can say we have a better standard of development here in India in the matter of education, health and industrial output. But, what is the use of it? You are not putting them on a sound foundation. If we do not do it soon, we would remain static. India has, today, a diseased economy and we are trying to build up something over it without removing the disease. Today, in China they have got excess of food production. U.S.A. was trying to dump food into Japan; it was dumping food articles in Thailand and in some other Asiatic countries too. I understand that certain commodities

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have been imported into India also like ghee and other things. The result is that our development has been hampered completely. It is from this point of view that we have to look at this GATT.

I do not say that we will have to completely get out of it. Soviet Russia was away from it for years together and she is now trying to come in because she thinks she can get some advantage. But, countries like India and China and other uderdeveloped countries of Asia cannot come in because it will be to their disadvantage. That is why I say that association with such international organisation cannot be in the best interests of India, in the context of the socialistic pattern of society that we are trying to develop. It is going contrary to it. That is why I cannot understand and why the Government is trying to justify its position with regard to this GATT. Our objective and our economy cannot go along with this policy. They will have to break completely from it or there must be some compromise to our advantage, to the advantage of Socialistic economy. We are going towards a socialistic pattern and we have to see whether this type of agreement will be standing in our way and will not affect the people's interest.

Take China. There they have got a socialistic economy for the people and not for the sections or classes. We have got a class economy. Their economy is a working class economy. When we are trying to build up a socialistic economy this kind of agreement cannot go along with it. That is why I have my objection to this international co-operation, with GATT or any other organisation. I have no prejudice against it. If we stand to benefit by it, we will have to accept it. But the fact is that we are not going to get any benefit. We are being exploited from outside. At the same time we will have to exploit within also, as that is the pattern of imperialistic economy followed in the past with the result that millions of people will have to suffer final. It is from this point of view that I cannot agree with the Government's desire that we should stand by the GATT.

1 P.M.

Shri Heda (Nizamabad): The most important question before us is wether the GATT, as it is generally called, is advantageous to us or not, and if it is advantageous, I think hardly there is any voice which would say that the amendments that are proposed in the GATT are less advantageous to us, everybody admits that the GATT is advantageous to this country, and once that is admitted, the amendments that have been successfully achieved are still more advantageous. The point is that if we look at the size and population of our country, we find that our country is not gaining the importance in the international trade which it would deserve. The table that I have before me which has been supplied for the General Agreement on Tariffs and Trade (documentary study) clearly tells us that India, in spite of its size and population, in international trade has got a share of 2·4 while small countries like Sweden and Brazil also have got nearly the same or slightly bigger share, that is, 2.5. I am not referring to countries like the U.K. and U.S.A. and they have got shares of 20·3 and 20·6. I am giving these two figures to shares the fact that India, in spite of its size and resources, is still very backward, and it has to come up of its own efforts in international trade.

Now the problem is how to achieve that objective. If we enter into the GATT, a particular type of advantages and a particular type of disadvantages have to be faced by us. Yesterday, the Minister of Commerce and Industry was good enough to say that when so many different provisions and so many handicaps have been explained, what remains. He replied in the next sentence that when we are bound in so many ways, the same handicaps or provisions are also bound to other countries and they are advantageous. Therefore, whatever disadvantages are there, they are advantages to other countries, and whatever advantages are there they are against the other countries' advantages. In that way, we have to offset advantages with disadvantages. If there is no general agreement like this, the problem would be a very stupendous one for every country, for in regard to practically every item, we will have to enter into different agreements. It is possible that backward as we are in India and where there is less trade and less experience, we may be at a handicap, and that is why our country decided in 1947 to join the GATT organisation, though there were certain difficulties and those difficulties were felt by the Government from time to time. I must congratulate our delegation who had their brief from the Government; they worked very well and they created a sort of a team of similar countries and snatched certain concessions which guarantee us better terms and better conditions in international trade.

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If one goes through article XVIII, as it is revised, he will find that it divides the countries into four categories: countries that are industrially advanced and at the same time have a high standard of life—U.S.A. and U.K. can be put in this category; then, countries who are industrially advanced but who have got a low standard of life—the solitary example is that of Japan; then there are countries who, though industrially backward, maintain a high standard of life like Australia and others; then there are a number of others, and that is the great majority, who are not only backward in industrialisation but also maintain a low standard of life—our country is one of them. So the problem before us is that we have to develop our own imports At the same time, we have to try to get the benefits of liberalisation or the so called free trade, which would always be advantageous to better advanced or industrialised countries and would work against the less advanced countries. Our country being less advanced, the difficulty is that if there was a general free trade or a full liberalisation of international trade, our country would suffer, and that was the problem that our country and our Government were facing. This delegation has tried to solve the problem, and today it looks that we have solved the problem to a fairly good extent. It is just possible that some more concessions may be needed and we may get them every year whenever such an occasion would arise for the exchange of views and general discussion.

In the matter of our industrial backwardness, not only the great desire but the great speed at which we want to advance ourselves is to be kept in view, and that should be our guiding principle for all future discussions in trying to get better conditions.

Certain friends have expressed the view: why not we enter into greater trade with the other countries not covered by the GATT? The fact remains that the GATT does not exclude or bar us from entering into different trade agreements or actual trade with the other countries, but the difficulties are many. Firstly, the agreement would take the shape of a bilateral agreement, and unless there is good scope for export and import with the same countries, there are no better prospects. The difficulty is that if a less advanced country desires to export its finished products to other countries, it hesitates to import products unless it is a raw material, which is essential for its own industrial growth. That alone hinders such a trade. GATT or imperial preferences or such other arrangements which are there may look that they hinder the progress of our trade with the countries outside the GATT or the Commonwealth, but that is not a fact. The fact remains that the usual trade or scope of trade has not been fully explored and there will not be an equal desire for export and import on the part of the other countries. If that desire is there and they find that there is enough which they can import

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from us, and we can also find enough in their countries to import into our country, we can help each other.

Another point that I should like to mention here is that our country has taken upon itself a very big responsibility in the last conference. That responsibility is the responsibility of leadership of the South-East Asian countries which are generally backward industrially.

Shri Velayudhan: Leadership?

Shri Heda: Yes. I would be quite fair if they expect from us that we do not look wholly to the interest of our national growth but we also look to the interest of those countries' economies and their industrial growth. No doubt, the problems are the same, and I may just mention that the Prime Minister of Laos, who came only yesterday, in his first Press statement said that there are not only many common problems between India and Laos, but the solutions are also common. That means that our country and his country and many other countries in the same zone and in the same conditions like to find solutions in the same pattern more or less. Therefore, this is a very big responsibility and I am quite sure that the vigilance which the Commerce and Industry Ministry is expected to keep and the experience that we gain in more and more industrialisation which we are attaining will help us in fulfilling that responsibility. I fully support the motion before us and I am quite hopeful that as past experience has stood us very well, so in the future our country will be able to show better results.

Shri N. B. Chowdhury (Ghatal): We have heard certain version on the history of this GATT. To begin with, I will refer to it in a sentence. Deriving inspiration from the Mutual Aid agreements of the United States by which that country entered into some sort of agreements with certain countries in 1942, adopting the technique of the Trade Agreements Act of that country and also originating with concrete proposals of big imperialist countries like the USA, and UK, this GATT has come to be a dangerously complicated game and unless the rules are framed very carefully and the articles are examined and scrutinised thoroughly, there is every likelihood that the backward and undeveloped countries will continue to suffer as they did suffer in the past. While saying this, I would like to make it clear that we do recognise the necessity of largest possible co-operation in international trade. We do recognise that there should be a code of international behaviour in commercial practices and in commercial relations. But even the hon. Minister had to that they had to battle inside this GATT organisation in order to get certain concessions and in order to modify adequately certain articles. In matters of trade and commerce, we would like to see that the principle on which trade is to be conducted is based on the principles of equality and mutual advantage, national interest and also consideration for the economy of undeveloped countries like ours.

The Hon. Minister and certain Members like Shri Kasliwal tried to focus our attention on the revised GATT and the new provisions that are before us. Can it be claimed that all the undesirable features of the GATT had been removed? A sort of hero's reception has been accorded to the representatives of India because of their endeavours to get certain handicaps removed. We know that the undeveloped countries like India, Pakistan and some other countries also combined in order to extort these concessions but this very fact also shows that in the past we have suffered a lot. There are still certain restrictions with regard to quota. It has been pointed out by the hon. Minister himself that with regard to bicycle industry and the growth of certain other infant industries, this "quota" restrictions played an important part. Here we find that we cannot impose certain restrictions within the course of three years.

Even if we have some scope to do that, we have to re-negotiate and contact the other contracting parties. There are certain difficulties which stand in the way.

There is then this question of export subsidy. It has been adequately dealt with by certain hon. Members. You know how the USA by providing for large amounts of export subsidies has tried to dump surplus farm and other products on other countries. There are certain provisions in the present articles of the GATT that they can do so only to some extent. But there are still some loopholes and unless they are plugged we would find it difficult to have a reasonable share in the trade of the world.

In this connection, I would like to emphasise one more important point and that is the suppliers credit organisation. The hon. Minister is certainly aware that in a number of countries they have got what is called suppliers credit organisation. A country like India can never compete with those countries because what they do is to help finance them thus enabling this organisation to export their commodities on credit so that other countries which could not finance such organisations are at a terrible disadvantage. This sort of indiscriminate help through such organisations had gone to such a great extent that even the President of the World Bank, Mr. Eugene Black had to sound a note of warning with regard to this matter, because that will stand in the way of smooth working of the trade of different countries at different levels of progress.

Next I come to imperial preference. Yesterday Shri Bansal was referring to Mr. Basu and said that this time he did not ride his hobby-horse. It is certainly being repeated by us several times; it is so characteristic a feature of our trade pattern that it has to be repeated. So long as it is not scrapped altogether. Today also we find that when we are going to Geneva for the 9th session of the latest conference of the GATT, we have had to seek in some conference of the Commonwealth countries certain clarification and there we have to make a sort of preparation for what we are going to put forward in the GATT conference. This shows our limitations and how we are hindered by this imperial preference. It has never been clarified here as to how far we have suffered due to the existence of such a preferential tariff and how far it has stood in the way of greater facilities which we could have derived from our association with the GATT. We want that this point should be clarified by the hon. Minister while he replies to the debate.

There is then the question of IMF. It is reported in papers that in a recent speech in Instanbul Mr. Butler suggested that the GATT should be more intimately linked to the International Monetary Fund. This Fund is a sort of inter-governmental agency to regulate foreign exchange and other matters. How far will it be proper for us and how far we shall trust it to safeguard our interests with regard to such matters are to be very carefully examined. There are certain matters which we have to consider very seriously. There is a country like Czechoslovakia inside this GATT organisation. It has got a state trading organisation. Here article 17 deals with state trading enterprises. Yesterday a reference was made to the *Eastern Economist*—the mouthpiece of big business here—where it was reported that the countries having state trading organisations, could not effectively work inside the GATT organisation. So, in view of the doubts cast on this and in view also of the fact that we have our trade agreements with countries like China and USSR, I may mention here that USSR has a volume of trade, inspite of so many limitation, to the extent of some 25,000 million roubles per year. Since we are trying to develop all sorts of trade with such countries; since we are trying to diversify our trade relations irrespective of the political and economic system prevailing in those countries we have to examine very carefully whether this sort of State trading organisation which exists in such countries will be permitted to function normally inside the GATT organisation.

[Shri N. B. Chowdhury]

In this connection I may point out also that countries like the United States of America and the United Kingdom are now demanding the removal of trade discrimination and other trade barriers. They are speaking of what is called 'tariff truce' but we should also see whether they are also not placing an embargo on trade with these socialist countries. Therefore, in such a situation we find that unless we take a sort of a comprehensive view of the picture and we consider the whole position in its entirety we cannot give a definite opinion or benefits which we are likely to derive which we have derived as a result of our association with the GATT. There is definitely a trade blockade which exists even now. There are still certain Acts or legislation of the United States of America and the United Kingdom which stand in the way of diversification of trade so far as it concerns a country like ours.

Then, coming to article XVIII I find that this article refers to economic development of under-developed countries. How far has the GATT organition helped us in the matter of development of our economy and Industry? Reading the third progress report of the Planning Commission I find that with regard to the development of natural resources, in the chapter which deals with this matter it has been stated that certain equipments like mining apparatus etc., were not obtained in time and so our development work was hindered. In this way we have to examine how far it is actually helping the growth of industry in our country.

There are certain other matters relating to article XVIII with its so many clauses A, B, C, and D. We do not know at what stage certain activities will not be controlled as a result of our association with this organisation.

Finally, I would like to say a few words about another point. It has been reported that along with the adoption of the articles of GATT there was also one resolution. I would like to have a categorical reply from the hon. Minister as to what the text of that resolution is. I think it would have been proper for the hon. Minister to place it also on the Table of this House along with this White Paper on GATT; because as it has been referred to by Shri Kasilwal, whose article has been described as 'a brilliant article' by the hon. Minister and in which article he has referred to that resolution, along with the adoption of this GATT they have also adopted at that conference a resolution in which it has been specifically stated that the backward countries should give facilities for the more advanced countries to invest their capital in those backward countries It says that there should be a free flow of investment capital and that there should be remittance facilities and other opportunities. All that has been said with reference to the development of backward countries. Now, in this connection we have got this credit and Investment Corporation and we have got certain other organisations also. We have associated this organisation with the International Bank and the International Monetary Fund. There is a doubt in our mind with regard to certain matters and, in any case, we are definitely opposed to the transfer of such sort of investment capital. We have suffered a lot in the past because of the foreign capital, particularly the British capital. So, in view of our bitter experience in the past and in view of the imperial preferences and such other things, we oppose importing foreign capital in this way, not as loan capital but as investment capital. We have to see that they are not entrenched on our soil and they again start exploiting our economy in a manner which will prove disastrous to our country.

With these words, Sir, I think that there is still sufficient ground, sufficient scope in the articles of the GATT for revision and unless further modification is made particularly with regard to the bound articles and such other matters we do not think that it will serve the best interests of the country and it will serve the purpose of our developing economy.

Mr. Deputy-Speaker: Is there any chance of any communist country also coming into the GATT?

Shri N. B. Chowdhury: Already there is one country—Czechoslovakia and it is said that certain other countries may also join.

Shri Kasliwal: Soviet Union is going to join.

Mr. Deputy-Speaker: Czechoslovakia is only a tail, a small country.

Shri K. K. Basu (Diamond Harbour): It is a small country but it is a highly industrialised country.

Shri K. C. Sodhia (Sagar): I have been deeply interested in the subject and I have been studying the subject for the last two years. I should clearly state to this House that to give any definite opinion in the matter simply on the strength of certain figures or certain books will be a wrong thing for us to do. It is a matter eminently practical and it is only those who have to deal with the matter in their every day work that can arrive at any correct conclusion in this matter.

I will simply bring to the notice of the House certain opinions expressed by the Taxation Enquiry Commission Then there are figures put down in this blue book *Analysis of Tariff Concessions Exchanged by India with the other Contracting Parties*. If we go through carefully and compare the figures in these two sets of documents we will find that they often contradict each other. Therefore, in my humble view, if we just come to a definite conclusion in this matter and hazard any definite opinion by which our Government is to go, then we shall be doing a wrong thing.

I have carefully heard the speeches delivered by my friends on the opposite side. They have said that there is possibility—not possibility but there are certain definite grounds—for them to suppose that the provisions contained in the different articles of this agreement are likely to do harm to India. My submission is that unless we come into contact with all the vile statesmen and the different nations that are going to dupe us, hear their arguments and try to meet them, there is no way open for us. In international matters India cannot remain aloof and it is only when we come into contact with other countries, and try to understand how ingeniously they try to cheat us, bring us into trouble or loss then only we can learn their ways and can meet them. Therefore, in my view, it is only by drawing attention to certain palpable things in which we think it is likely that a particular amount of attention has to be given that we can draw the attention of the Government to those provisions and ask them to be particularly wary in those things. I have looked into these articles, and in my view, articles IV and XVI of the revised agreement contain provisions about which I think our Government ought to be more careful. In fact, the language of this agreement is so very *lachars*, is so very complicated, and there are so many if's, but's and exceptions that we can very well go on with the policy and procedure that we may find advantageous to ourselves in the circumstances. Accordingly my submission to the hon. Minister is that in this matter too they should carefully but confidently go on with their steps and they should meet all the statesmen and the economists of the world and should find out way for India so that it may just go on in its path of industrial regeneration.

Much has been said about imperial preference and I think there is a definite opinion expressed in the report of the Taxation Enquiry Commission that imperial preference cast upon us a loss of Rs. 3 crores or something like that. But then I think that for an infant nation like ours, to stand up among the stalwarts of the world's politicians we have to pay some price and so long as we have not attained

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maturity, we will have to continue to pay this price of imperial preference. But we have also to see that we do not follow the policy of being mere followers of Britain and the Commonwealth, though we should try to extract from them as much advantageous a position as we can. I heard that last time our Finance Minister has given certain further concessions to the textile indutsry of Britain. What those concessions are and what is the burden upon India is not yet known to us. We need not, however, analyse our export and import figures and other complicated matters of trade, but we should simply rest content in the belief that our Government will not let us down at this moment.

Shri U. M. Trivedi: I very sincerely congratulate our Minister of Commerce and Industry for having entered into this agreement which I would call a gentleman's agreement between trusted traders. When I was in England, I found the name of a firm engrossed on the wall of the office and below it was a photo of the originator of that firm and it was said thereunder that "no written agreements between the partners of my firm shall be demanded, and whosoever demands it, shall get out". This is an agreement of a similar nature. Although it is signed by so many countries yet, it has no sanction behind it and notwithstanding the fact that there is no sanction behind it, it is being carried into effect. That shows that the world is improving in its methods of countries dealing with each other. It is a very high-reflection on our credit that we have also been able to discharge the terms of the agreement very faithfully. I cannot read between the lines as some of my friends sitting on my right or on my left have been saying, namely, everything is in the nature of some preference being given to somebody or no preference being given to somebody else or the other. There is nothing of that nature in the agreements. Whenever we have tried to exercise our right to do a particular thing according to the dictates of our own interests, we have been able to do it. We were able to cut off our trade connections with South Africa without any trouble whatsoever. The very terms embodied in the articles give a vast latitude and we are left to do as we think proper and fit in the interests of our own country

The only thing that strikes me is that we have not been able to apply our minds with a selfish motive. I should say that we must be very selfish—we ought to be—and protect our own interests; to do so is not bad. Sir, I tell you, we do not want certificates from others. They say, "how selfless you are?' when that selflessness can only result in starving our own people. So, in that sense, namely, of protecting our interests, if we grow selfish, we will not be doing any harm.

In this trade agreement, Burma is also a signatory—a signing party but, as we have got a separate and independent agreement with Burma. we are the worst sufferers on account of that agreement. Burma was a debtor country to us, and the debt which ought to have been much more than what was put down by the British in the year 1937—it ought to be at least ten times more than what was put down—has not yet been paid. It runs to Rs. 55 crores. Yet, we have always, as we used to do, acted as a big brother to Burma; we have acted as a big brother to Pakistan, and we have acted as a big brother to Ceylon.

Shri T. T. Krishnamachari: We are universal big brothers.

Shri U. M. Trivedi: May be; I do not know. But so far as these three countries are concerned, they have always tried to kick us. By that. I do not say that they talk ill of India, (except Pakistan,) but I mean that they have maltreated Indians as such. Ceylon has been maltreating us, kicking our people to get out. When I was in Burma I was always trying to understand the meaning of the word 'exploitation', because the only accusation by the Burmese against the Indians was that the Indian labourer, the Indian coolies, the rickshaw puller who was pulling the rickshaw with a big load of two Burmese seated in a single rickshaw and charging just two annas for two miles, were considered as exploiting the Burmans. It is that which used to upset me and made me ask as to what this word 'exploitation' means.

Mr. Deputy-Speaker: There is exploitation there, but from whom is the question.

Shri Velayudhan: What about the Chettiars?

Shri U. M. Trivedi: Yes, I shall reply, though it is off the track. You do not know what part the Chettiars played in the economy of Burma. You have no idea that on the Chettiars who were taking a big risk of giving loans, the Burman cultivator and the Burman landlord and indeed the whole agricultural economy of Burma depended. You have absolutely no idea of that. You do not know the risk that the Chettiars had, when they had to collect the debts. At every step, the Chettiar had the fear of the dah cutting off his head. So, under those circumstances, the Chettiar was not an exploiter. It is true that anybody else could always say the same thing, but it does not lie in our mouth to say it, because we cannot see eye to eye with the Chettiars and specially those of us who have been imbued with a peculiar, queer idea of what capitalism in India means.

Coming back to this question of acting big brother to Burma, I would remind this House of the fact that when Burma was selling rice at £16 per ton to the world at large, we in this country paid Burma at the rate of £35 per ton. What for? What type of protection were we providing for our country? Protection must always be granted in the first instance to the domestic needs. Any concession that is to be granted to a country must be made always with an eye to the protection to be granted to ourselves in the first instance. The protection was being granted to Burma by our making a heavy payment at the rate of £35 per ton, so that they might be able to discharge our debt of Rs. 55 crores. That was how our Food Minister explained it at that time. But, Burma all along has stood in the way of a fair deal with us. Whenever things are to be imported to India which they produce, they have put high tariffs or they have—to use the new language—"nationalised" that particular trade, so that they may bargain for getting the most out of us and not allow the private sector to do the trade. They have allowed the private sector to carry on trade with Malaya, with Siam, with Ceylon, and with South Africa, but not with India. I cannot understand why that attitude was adopted by Burma.

Mr. Deputy-Speaker: Was it so in the case of rice?

Shri U. M. Trivedi: It was the same thing with rice (*Interruptions.*)

Shri Velayudhan: You have not understood it.

Shri U. M. Trivedi: We are not going to understand it for years together.

It is this policy of the Government of India with which I say I cannot agree. We had a huge trade with many countries in Africa also; but on accout of our selfless policy we are doing harm to ourselves in proceeding further with this. We had very recently the example of Pakistan acting in the manner it did on the question of jute and also on the question of betel leaves. Most of our people suffered a good deal on account of the embargo that was placed on these; yet, it is with that country that a bilateral agreement has been made. The principles of that agreement are not advantageous to us although we have always acted in a manner which will prove beneficial to Pakistan.

Therefore, I say that in entering into agreement with these parties—which ought to be gentlemen's agreement, because there cannot be sanctions behind it—we should always

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look to the interest of our country first and foremost. There have been many academic, destructive and constructive suggestions about this and I agree with Mr. Sodhia that most of these things are such that we cannot easily understand them. But as merchants and traders say that the interest of our consumer and our trader ought to be the primary concern in entering into these trade agreements, none of these trade agreements must be such as to jeopardise the productive capacity or the production of our country. So far as the question of subsidising our own products is concerned, we should be very chary in giving preference to those products which are brought here and sold at cheaper rates in our country, so that no harm is done to the progress of that particular industry. We must be very very careful about it. Suffice it to say that, though we are no doubt a big nation, we are still not an industrial nation. We are agricultural people and only now we are trying to stand on our legs so far as industries are concerned. Therefore, to protect our industries, it will still be necessary for us to continue to put such embargo as will be necessary to develop our country.

With these few words, I request the hon. Commerce and Industry Minister to have his eyes very widely open in his dealings in future with countries which are very near to us, namely, Pakistan, Ceylon and Burma, which have got only one-way traffic —our calling them our friends, but they never behaving as if they are our friends.

Mr. Deputy-Speaker: It seems there is no other hon. Member who wants to speak. I will call upon the hon. Minister now.

Shri T. T. Krishnamachari: Thirteen hon. Members of this House have spoken and I am glad to make myself the fourteenth, so that we shall not have that unlucky number 13.

Shri K. K. Basu: Ministers are always lucky.

Shri T. T. Krishnamachari: Having listened to the speeches, I think I should echo the sentiment just now expressed by my hon. friend opposite, namely, Ministers are always lucky. But I think I am particularly lucky, because I have had a large measure of support for the attitude that the Government has adopted with regard to GATT from several important hon. Members in this House, although Mr. Basu, and his friend have withheld their support to this proposition.

I did try at the outset, even to the extent of tiring the House, to go into as many details as possible with regard to this agreement; I am not sorry I did so. While there were several hon. Members who made a study of this question of international trade and the regulation of it by means of multi-lateral agreements, it did seem that in some of the speeches at any rate, an understanding of the exact significance of the GATT was not clearly visible. The last speaker was very near getting at the correct description. He said that this is a gentlemen's agreement. To call anybody a gentleman is not very particularly fashionable these days. I would like to say that it is more or less an agreement between members of an International club. In fact, there are no punitive provisions attached to any breach of this agreement except that corresponding concessions can be withheld. If there is any chronic breach, may be that other countries who are not affected may also withhold these concessions in due course. Barring that, if a country wants to practise autarchy, and does not mind about the course of its foreign trade, leaving it to those countries to trade with it only in those items which are absolutely necessary, I do not think anybody can do anything to that country.

You, Sir, asked a question whether the East European countries were members of the G.A.T.T., or are going to become members of the G.A.T.T. They are not members with the exception of Czechoslovakia. Czechoslovakia became a member before it went into the East European bloc, that is, before the communist coup which displaced the democratic Government in Czechoslovakia. Czechoslovakia was a member of the G.A.T.T. from 1947 and it has continued, nevertheless, to be a member. Therefore, one has to understand this agreement as something which does give a measure of advantage to its members, because, it prescribes a set of trade rules which, if everybody follows to a reasonable extent, makes international trade have a smooth flow. Exceptions, of course, there are bound to be and they are bound to occur not merely now when we have a greater amount of international understanding. I suppose those particular instances must be dealt with on the merits of each particular case.

I would, before enlarging on one or two general points made by hon. Members, like to reply to some of the points made by them. But, before doing so, I would like once again to express my gratitude to some of the speeches made by hon. Members, particularly by my hon. friend Shri Bansal, Dr. Krishnaswami, Shri G. D. Somani, Shri M. S. Gurupadaswamy, Shri Kasliwal, Shri Viswanatha Reddy and others, which have been very helpful. That does show, at any rate, that in this House we have a body of people who do understand what it all means and who are prepared to give intelligent and discriminating support to the Government in this particular matter.

With regard to the doubts raised, naturally the people of place must go to Shri K. K. Basu. He did not have at his fingers the particular points in regard to this agreement which looked like being weak. But, when a person cannot hit the bull's eye, he hits the board all over. This is not the first time that I have my hon. friend doing that kind of thing and I have no doubt, it would not be the last time. He asked what have we done with our sterling balances, how did we use them, and said we have failed to use them properly because we have not been helped by those countries, concerned with the supply of machinery and other things that we needed. I do not know where he got it all from except from the rather vivid imagination of his. If that is the source of his information, I have nothing more to say. So far as capital goods are concerned, we go to whichever country can supply us and they supply according to their ability to supply us. I do not see how the use of sterling balances and the ability of those countries to supply capital goods have any link between them. The only trouble about the sterling balances was really at one time, we had to cut down our imports from dollar areas. Even in that regard, it was a very temporary phase. We can use our sterling balances to import from non-dollar areas if we want. There is no impediment to that.

The other charge that he made was, why should we trouble ourselves about this agreement which was entered into by a Government before the Congress Government. Chronologically he may be right. If you cannot find a reason which is directly valid, you can go to an indirect reason which may not be quite so valid, but which nevertheless looks plausible. Unfortunately, though it happened that the delegation to the G.A.T.T. was sent in 1946, the ratification of the G.A.T.T. was at a time when there was the Congress Government in power. When we discussed it on the floor of this House in 1949 on the basis of a Tariff Amendment Bill, I think we were fully Congress. There is no question of anybody else controlling us either from White Hall or from any other part of the world.

Then, Shri K. K. Basu dealt with the comparative prices. The trouble

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about it is that this third lie of this century, statistics, is capable of being utilised by anybody for any purpose. Figures, as an hon. friend here has found, could mean many things to many men, not all things to all men. My hon. friend Shri K. K. Basu said that these prices, as he was able to demonstrate very clearly, had dropped because of the G.A.T.T. It is rather difficult for us to realise that the G.A.T.T. which seems to be a comparatively innocuous body, could determine the level of prices within any country like India. The gravamen of his charge was that the prices that we obtained for our export products were much lower in 1955 than in 1953. Frankly I do not see what the G. A. T. T. has got to do with that. Though the G. A. T. T. has said in one of its resolutions that there must be an attempt made by the participating countries for stabilisation of world commodity prices, I do not think that they have done anything to depress prices. In fact, if they make a commitment of this nature, I am sure Shri K. K. Basu will say that it is a serious infringement on the liberty of a country to regulate its domestic policy, to ensure stability of its internal prices.

The G.A.T.T has been in existence since 1947. The fluctuations in world prices have been no more pronounced subsequently than they were before. The other point that Shri K. K. Basu failed to take notice of is that the movement of prices is sometimes in all levels. If there is a movement of downward prices in regard to export commodities, there is also a movement of downward prices in regard to import commodities. In the overall balance of trade, the position remains more or less the same. It is worth while, therefore, if he really wants to charge the Government with something very tangible, that he should quote more the terms of trade either for or against the G. A. T. T. than depend on the prices of a few commodities taken up at random. Of course, hon. Members in this House know very well that prices shot up during what was called the Korean boom. Boom prices can never be maintained; they must come down. Therefore, I really cannot see how the G.A.T.T. can be condemned for this purpose. Of course, as I have said, this is one of the subjects to which the G.A.T.T. has applied its mind as other international bodies have, from time to time. It is easy to find what the cause of all these troubles is and far more difficult to find a solution.

2 P.M.

The other point was, because of the G.A.T.T. we cannot diversify our trade. I cannot understand it. As my hon. friend Shri K. C. Sodhia, mentioned, you have got to leave these things to people who are actually dealing with them. There is no use of telling somebody else, you have shaved, you have left a bunch of hair somewhere. Ultimately the man who shaves must be the man who removes the bunch of hair. You cannot go with a razor and shave somebody's face. That is not normally permitted. I cannot find any difficulty, so far as I am concerned, in exporting to any country I like and importing from any country I like. The provisions of the G.A.T.T. have not stood in the way. Hon. Members know that we have been doing trade with countries which are outside the G. A. T. T., quite a number of them, U. S. S. R., China. I had a fairly big deal last year with China in regard to export of tobacco. In fact, I was able to supply to them at fairly advantageous prices. Only the next lot they came and purchased themselves and lowered the price. I cannot hold it against them that they have lowered the price. When I supplied them on barter terms I dictated the price. When there was no barter, they came and paid the price they could possibly pay. They had beat down our people because there was competition internally. I do not hold it up against China. We do trade with the U.S.S.R., and nobody has prevented us from buying or selling. We have done barter trading with them before, and we do hope our trade will increase. In fact, no country has prevented us from making an agreement with the U.S.S.R. for the supply of a steel plant, nor has this question of supplier's credit, raised by my hon. friend's colleague sitting next to him, arisen in this particular question. After all, why are we buying from the U.S.S.R.? Mainly because we are going to get a long-term arrangement for payment. Here is a matter of supplier's credit against which Mr. Eugene Black of the World Bank is said to have spoken. Nevertheless, it suits us, and we are prepared to accept it from where it is available. So, I cannot understand this story of our inability to diversify our trade merely because we are members of the G.A.T.T.

Another point that was raised was a reference to the Randall Commission. Of course, it is an unfortunate position with most of us that we know a little more about what is happening in other countries than we know about our own country. My hon. friend Shri Basu knows what is happening in America more than what is happening in the Government of India even though he happens to be one of my masters. I am afraid he misunderstood the attempt of the Randall Commission, and I would humbly suggest to him to remove the error, because the Randall Commission was, if anything, violently anti-GATT. There are people like Shri Basu everywhere in the world, even in the United States, and this is a case where extremes meet. Here is Shri Basu who stands on one extreme side, and there are the members of the Randall Commission who stand on the other side. They have met in hating the G.A.T.T., and that is exactly what the Commission has sought to convey in their report to the President of the United States. I do not propose to apologise to them, nor am I concerned with what they do.

The other point that he mentioned was that flexibility is needed. I have been urging for very nearly 40 minutes that we have achieved a very large degree of flexibility, that article XVIII is a charter of flexibility, and, well, Shri Basu says more flexibility is needed. Perhaps if he tells us what it is and we get educated over the next two or three years, probably when we reconsider the agreement, I might, or my successor might be in a better position to deal with the contracting parties.

One other question was raised by several hon. Members, and primarily by Shri Basu, about State trading. It has been held that this particular agreement is against State trading. I am afraid it errs on the side of being erroneous. There is a whole article of the GATT dealing with State trading—article XVII. Far from there being any ban or restriction on State trading, the GATT provides specifically that even State trading should have regard to the principles of non-discrimination and other provisions of the GATT. Czechoslovakia, to which country reference has been made more than once on that side of the House, a country whose entire foreign trade is now done by the State, continues to be a member of the GATT, and apparently it does not seriously embarrass the other members of the GATT.

There is nothing, as I have said before, to prevent us from having deals with those countries outside the GATT, and as my hon. friend Shri Karmarkar mentioned in replying to a debate raised on the floor of this House by the hon. leader of the Communist Party, we do have in mind and we are working for the possibility of some form of State trading with those countries which have State trading, because it is rather difficult for those countries to trade with private individuals here, and it is difficult for private individuals here to trade with those countries where there is State trading. May be that my hon. friend might say: "Well, here is a case of imitation", which is the best from of

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flattery as they say. All that the GATT provides in this particular matter is that even if you have State trading, you should not discriminate against any country. It is perfecly right. I cannot see why we should discriminate against a particular country either directly or indirectly.

My hon. friend Dr. Krishnaswami drew my attention to a very valuable book written by Prof. Mead on balance of payments. It is a very interesting book, and so last night I went and had a look at that book. I found something totally irrelevant to the present discussion, nevertheless interesting. In 1902, Germany laid an embargo on the import of cattle, not specifically, against any country which it cannot do because it had a bilateral agreement with the country concerned but indirectly. It said cattle should not be imported into Germany which normally are reared in a place which is 800 metres high or during summer time are taken to a place which is 800 metres high. This can refer only to Switzerland where cattle is taken to a higher altitude during summer time. That is a type of discrimination which should not be indulged in and besides prohibiting some kind of discrimination of that sort, State trading is not prohibited.

Shri K. K. Basu: Do you mean to say that State trading with those countries which have nationalised their foreign trade on particular items, while you have private dealings with the GATT countries, is permissible?

Shri T. T. Krishnamachari: Why not? For instance, I have given an example to my hon. friend. I am importing soda ash on a centralised basis. Last half year the lowest quotations came from East Germany, and my hon. friend will concede at any rate that is a country where there is State trading, and we bought it all from East Germany. This half year East Germany is out of the market. So, we have to buy partly from China, partly from some of these countries where there is private trading. There is nothing to prevent me. I go to the cheapest market and if I am going to pay a higher price for political reasons I am a fool.

Shri K. K. Basu: From those countries where there is State trading we buy at a governmental level. My point is whether, in buying on a governmental level from these countries and also from other countries where there is private trading, there is a clash or not.

Shri T. T. Krishnamachari: There is a clash, an intellectual clash undoubtedly, but I cannot see there is any physical clash. All that I do is I pay the money and get the goods. There is no clash so far as the goods are concerned. The system of payment even for the U.S.S.R. happens to be in Sterling, and the London market is the clearing market for that purpose. I pay in Sterling to the U.S.S.R.

Mr. Deputy-Speaker: I am not able to follow. Where is the clash?

Shri T. T. Krishnamachari: That is what I say.

Mr. Deputy-Speaker: Probably I may be wrong. On behalf of another Government, nation or State where they have State trading and State production, somebody as an agent undertakes or manufactures himself and supplies goods to us. In another country we find there is private trading. So far as we are concerned, we purchase from the one or the other, whoever might sell.

Shri K. K. Basu: That was not my point. As the Minister said, in the case of soda ash, we buy from East Germany which has nationalised its foreign trade. We also issue permits to private persons to buy soda ash from countries which have private trading, and there may be some difference in the prices that will affect us.

Mr. Deputy-Speaker: Simultaneously?

Shri K. K. Basu: Yes.

Mr. Deputy-Speaker: Government purchases and private agencies are allowed to purchase. Therefore, the total quantity is....

Shri T. T. Krishnamachari: If it has happened in the last transaction that I have paid £16-10, to one party and I have paid £17-0, to another, it has been because for £16-10, I could get only 3,000 or 4,000 tons. The balance I had to pay at £17-0. May be in one case I brought from a country which has got State trading, the other I bought from a private individual. I see no difficulty in actual practice. Apart from State trading or not, the required quantity may not be available in a particular country, and prices may vary from country to country. That is easily possible.

I may give another instance. I need steel. I am purchasing it from every country, U.S.S.R., Czechoslovakia, but I get little from the other eastern European countries. I am also buying from Japan, the United States, the United Kingdom and from the coal and steel community of Western Europe. May be that the prices I pay vary even for the identical goods, but I have to buy from the market where I can get the goods, and I am prepared to pay a little more wherever necessary. I cannot see how the G.A.T.T. comes in the way of my doing it. The whole trouble is really this. If I prefer one country which quotes a higher price, it may be that there might be some adequate reasons even for that. Perhaps that country may offer attractive delivery terms; they might say that if I pay £ 1 more they will be able to give me delivery in October; another country might quote £ 1 less and say that they will be able to give delivery in February. So, even here there is price discrimination on the basis of different dates of delivery or quickness in the transport. In one case, I am getting the goods in about ten days' time, while in another case, it might take about six months for me to get the goods. So, these things are flexible and are perfectly allowed within the terms of the GATT.

Mr. Deputy-Speaker: Is it open to any country which is a party to the GATT and which has entered into an arrangement for the supply of particular goods with another member, to show concessions to some other country which is not a member of the GATT but which is anxious to purchase and is prepared to show greater concessions?

Shri T. T. Krishnamachari: There is nothing to prevent that. We are bound only to the principles of the GATT. The only thing is that we will perhaps invoke the provisions of the GATT indirectly,—if we pay an admittedly higher price to a non-member country for some other reason, and pay a lower price to a member country,—and say that it constitutes discriminatory treatment from the point of view of a State trading organisation. If private people do it, then we have nothing to do with it. If a man is a fool and he pays more and he gets it, we are not concerned. But if it is a deliberate action on the part of the State, or a State trading organisation does it, then perhaps we might be called upon to explain. There is nothing more about it.

Shri M. S. Gurupadaswamy, has been very considerate. He generally blessed our effort, but he had certain doubts in this matter. One of the main points that he raised was this question of flexibility. He asked: Are we bound by what we have done under the Agreement, or can we move beyond it or within it? The same point was raised also by other Members. I did not deal with this aspect of the question in great detail in my opening speech, because I thought that Members were more interested in quantitative retrictions. But I would like to add now a few words on this question of tariff flexibility.

The important article here is article XXVIII. For a proper understanding of its significance, it is

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necessary to read this article along with the interpretative notes attached to it, which will be found at pages 74 to 77 of the White Paper. This article has been wholly revised, and in the shaping of it, I am happy to say that our delegation has played a major part. We worked towards this amendment in collaboration not only with the under-developed countries so-called, but also with countries like Australia, New Zealand, Greece and Austria. The main changes introduced in this revised article are as follows.

Firstly, under this article and the interpretative notes attached to it, an under-developed country can negotiate for a change in tariff bindings at any time. In these negotiations, I would like to point out, it is not essential that an agreement should be reached only on the basis of new concessions in lieu of the ones which are withdrawn. There may be an agreement on the basis of a mutual withdrawal, or the corresponding country might feel that the concessions withdrawn are not material.

Secondly, the tariff bindings under this article would be valid for periods of three years at a time. And during the last six months of the bound period it will be open to a country entering into these bindings to withdraw any concession, even if it fails to reach an agreement. Of course, when it withdraws a concession without an agreement with the other parties affected, the latter will also have the corresponding freedom of withdrawing their equivalent concessions. The advantage of this freedom lies in the fact that the need of the country which seeks to withdraw will not become the opportunity of the country with whom the negotiation has taken place. I hope hon. Members will please note this. In other words, we need not offer a concession which is more than legitimate or more than we can afford.

There is one further provision in the article which has been inserted now. It is quite possible for us at the expiry of the three-year period to say that we shall keep the whole of our schedule of bindings free. This will mean that we can act unilaterally in respect of any of them at any time. If we did so, then naturally enough, other countries will also be free similarly to withdraw any concessions that we may have received. Therefore, before a country acts under this provision, it must satisfy itself that it is likely to gain rather than lose under a freedom which clearly cannot be exclusive. Actually, the effect of these changes would really be to bring home to every country that in tariff concessions, as in every other matter, there is a question of give and take. No country need give more than it receives, and if it feels that, in the situation in which it is placed, it has to act, it can act unilaterally. A country which values the concessions which it has received will naturally be chary of meddling with the Agreement and acting in haste.

Briefly put, so far as the articles of the GATT are concerned, we have the freedom to withdraw all the tariff concessions which we have given, provided we do not mind losing all the concessions that we have received. I do not know if my hon. friends suggest that we should have the freedom to withdraw, and nobody else should have a similar freedom to withdraw the concessions that they have given. If that is the conception of the GATT, I will say that that conception is a wrong one; and the GATT never seeks to give an advantage to us or to any other country, which it does not give to some other country as well.

One other matter that Shri M. S. Gurupadaswamy raised was the question of export subsidies. This has been raised by other Members as well. This subject is covered by article XVI. I would like hon. Members to look at the old article XVI. It is there in the White Paper.

Hon. Members will find that it was a very short article. It was a very insipid one, and was merely an expression of a pious wish that no country should offer export subsidies. The article has now been rewritten, and naturally it has been strengthened somewhat. The real position is that when the article was rewritten; there were some countries which found it impossible to accept the obligation straight away. Therefore, the provisions of the old article have been strengthened by adding four news paragraphs. Under these, it is recognised that subsidies are harmful and should be avoided. It may be that hon. Members might say that it is a pious declaration. But it is further provided that subsidies on primary products should not result in any country having more than an equitable share of the world trade in those products. As regards subsidies in other products, no new subsidy may now be given by any country. And it is the intention that from 1st January 1958, all subsidies should cease to ply. The article further provides for a review from time to time. It will therefore be clear that there is no difference of opinion in principle, but the difficulties were in enforcing it to an agreed settlement. I am told that this particular draft of article XVI was settled during the last three days of the session, and that is why it was to some extent left for the countries to decide after a time.

There was one point Shri M. S. Gurupadaswamy referred to, which, I think, is very vital. He stressed on the fact that compromise is inevitable in any international understanding, for that matter in any understanding between two individuals or two groups of individuals. As I said before, if it is a question of giving nothing and a question of taking all, there can be no compromise at all. We were guided by this principle in arriving at an agreement in regard to export subsidies in terms of article XVI, and the fullest flexibility was given that sometime will be given for countries to fall in line to the extent that it is possible.

Another point made by Shri M. S. Gurupadaswamy was in regard to the question of veto that existed about the coming into being of the Organisation of Trade Co-operation. I think he is perfectly right. When you say that countries which in the aggregate control 85 per cent. of the world trade should ratify, it does necessarily mean that if either the U.K. or the U.S.A., each of which controls very nearly 20 per cent. of the trade of the world, stands out, nothing happens. It happens in the case of any international agreement. In the case of the International Wheat Agreement, sometime ago, in which the U.S.A. was vitally interested, the U.K. stood out, and it looked was though this agreement could not get through—at any rate, it could not be successfully implemented. May be that a time will come when we will have about 20 per cent. of the world's trade and we might look at the matter from the same position, but we cannot do so now. But what happens? It happens that if people who have a large stake in world trade, do not want an organisation to come into being, no organisation is possible. That is precisely what I have been saying in regard to the link between the IMF and the OTC, that if it is inconvenient for us, and if we want that it should not come into being, very possibly we might be able to get a number of underdeveloped countries arrayed on our side. I can see no particular crime in non-ratification. It merely means that they are afraid. That is what happened before. The U.S.A. did not ratify the Havana Charter. It is quite possible that the U.S.A. may not ratify the OTC, and we may have a nebulous executive in charge of the GATT.

I am very much obliged to Dr. Krishnaswami, for some of the points which he has stressed. I must say that he has shown a very sympathetic understanding of the problems that

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face Government in this rather difficult question of organising foreign trade. He indicated that there must be a plan for working so far as the Commerce and Industry Ministry is concerned. We do have a plan; I must also say, at the same time, that the plan has, with all the limitations that we have, worked reasonably well during the last four years. But in making the plan, we are not merely thinking of today. In fact, if I am thinking of conserving foreign exchange today, which I might otherwise spend, I am only looking into the time during the next Five Year Plan when my imports of capital goods, my equipment for the three steel plants and several things will have to be got, for which I will have to find foreign exchange. My collegue, the Finance Minister, has been saying very often that so far in regard to foreign exchange, our position is none too happy. That is if we take a long view of the situation; if we take a narrow view, we are undoubtedly well off. That is why every time we revise our policy, what happens really is this: the moment we issue the half-year's policy, we start working for the next half year. Then a review starts as to what are the items where we can cut down the quota and so far as I am concerned, I have no doubt in my mind that during the next Plan period, I can place my hand over my heart and tell the GATT that my problem is a problem of balance of payments. It is not the only problem; other problems might exist, but the dominant problem will be a problem essentially of balance of payments. So I have no fear in having a long list of quota restrictions. In fact, I do not know if it would be an advantage for me to state on the floor of the House,—nevertheless, I propose to do so—that we have a little over a thousand groups of items under which we have categorised the import trade schedule, and 53 per cent. of those items are under quota restrictions. I am not ashamed of it. I must rather compliment the Ministry that it has been able to evaluate our needs to such a nicety, that we have been able to meet practically every need. And we propose to do it during the next Five Year Plan period because it is an imperative so far as we are concerned. We cannot get away from it, and I can justify it even according to the provisions of the old GATT, without any recourse to the flexibility of the provision of article XVIII, as it has been revised. Therefore, I feel that the provision of article XVIII as it is now, which explicitly allows me not merely to look to the position of imbalance in my foreign payments position at present, but also allows me to look to the future, is a thing which gives me a double safeguard, quite apart from the fact that we have got an express sanction in terms of giving protection to our nascent industries by quota restrictions.

I am very grateful to Dr. Krishnaswami once again for pointing out that it is necessary for Government not to make quota restrictions a permanent feature of the economy. In fact, every article for which we give some kind of protection by means of quotas, must justify its protection, and before long, it must go out of the scheme of quota restriction. I am very happy we are now finding one or two or three items every half year where we take away the quota restrictions. I have done so in regard to textiles. My hon. friend, Shri K. C. Sodhia, asked about the Finance Minister's lowering of duties Textiles. Yes, we lowered the duties; we took away quota restrictions. And so far as the position of imports is concerned, it has not risen to any degree which makes our balance of payments position insecure or provides competition to our own industry in the textile field, which makes it difficult for them to produce and sell. That is reverse of this example where the British people say: 'Oh, India subsidises the prices of cotton'. That is exactly what people like Shri K. K. Basu say here. There we find companions to Shri Basu's method of thinking. The members of the British Parliament and cotton trade interests say that we are subsidising cotton prices. We do nothing of the sort. We keep the prices of cotton controlled at an economic level for the producer and at an economic level for the user of cloth; because 90 per cent. of what we produce by way of cotton we consume in this country, and I am not going, for the sake of the benefit of the Lancashire proprietor or for the sake of the benefit of uninformed members of the Indian Parliament, to give a higher price to cotton and raise my prices of textile goods. This has happened everywhere. But this is an instance when we have removed the quota restrictions and also lowered the duties, and we have found that no serious harm has occurred. All that has happened is that some small trickle of these goods comes from other countries into our country which raises the tone, the standards and the quality of our own goods. The point that Dr. Krishnaswami made about token quotas for some other articles is very good. After all, if we start using some imported article, if we develop a propensity for consuming that article, then the local manufacturer produces it here. In fact, if you have a completely sealed market—you do not allow anything to be imported—there will be no development here, because imports carry with them the stamp of technological development of other countries and thereby induce our people to start the same thing here which provides employment, which provides more work and more wealth, and also raises the consumption standards of the people. That is the essential fact about imports, and I am particularly thankful to him for stressing this point which, I think, needs stressing every time that any hon. Member speaks about the question of foreign trade; because foreign trade has to be a two-way traffic—it cannot be a one-way traffic.

I am sure my hon. friend, Shri Bansal—who, I see, is enjoying a delectable sleep—and my hon. friend, Shri V. B. Gandhi, would not ask me to underline all that they have said. In fact, Shri Bansal, who, like me is not afraid of proclaiming himself to be a convert, has indicated how the Federation, which started being very inimical to all supra-national regimentation of domestic policies in any country, and which induced a Minute of Dissent from one of its past Presidents to the Fiscal Commission Report, against the Havana Charter, has now become a convert, not merely convert but an enthusiastic supporter, of all international agreements for the purpose of eliminating barriers and ensuring the smooth flow of trade. It is a matter for which I am particularly beholden, because it has happened during my tenure as Commerce and Industry Minister. After all, even this question of being willing to become a convert seems to be infectious.

Mr. Biswanatha Reddy, has spent some time in looking into the problems. He had, however, the disadvantage of being the last speaker, which limited the scope of his remarks. He suggested a waiver for our cottage industries. If we had felt the need for it, we should have asked for it; the only thing I can say by way of apology to Mr. Reddy is that we have not become conscious of the need for a waiver in this report.

The other point he mentioned was about the entry of U.S.S.R. and China. I do not think there is any bar to the entry of these countries, if they want to come in. Probably, they will come in; probably, their coming in would raise fresh problems and it would add a fresh chapter to State trading. I do not think there is any particular bar to their coming in.

He also said that no account of the working of the GATT has been given. I must plead guilty to the charge. I do not know what I can say beyond what we have said. We have issued a White Paper; the Lok Sabha Secretariat has issued another, explaining the working of this to all

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The net result has been that my hon. friend Shri S. V. Ramaswamy is bewildered by a set of figures which he cannot understand.

I shall now come to Mr. Ramaswamy—who I am happy to see, is now here. The trouble about it is this. The import figures are to our advantage. If our imports get less, we do not give so much of preference or, so much of tariff concessions that we have agreed to. But I do not think it happens in this particular case. So far as machinery is concerned, our rate of duty is very small. It is a case of slight misreading of figures. I do not blame him for that, because as I have said our whole trouble today seems to be statistics. Somebody says something about it; another man says something else, and we get bewildered.

Quotations were made from the Report of the Taxation Enquiry Commission, both in regard to the assessment of the GATT and also in regard to the assessment of imperial preference to which I will come presently. The Taxation Enquiry Commission whatever may be their sins of commission and omission was presided over by a very august personage and I am sure that the House will see his hand in any statement of policy, or any recommendation in regard to policy. This particular paragraph in regard to loss of revenue by way of preference says—I am reading paragraph 42 (page 269):

> "The loss in revenue from preferences may be estimated at Rs. 3·5 crores—Rs. 2·6 crores on imports from the Colonies. * *. In these cases no real preference is granted as only either the preferential rate or the standard rate is effective and can be suitably adjusted. If such items are eliminated, the potential loss in revenue may be put at Rs. 2·1 crores on imports from U.K. and Rs. 0·2 crore on imports from the Colonies, making Rs. 2·3 crores in all; this, is of course, a very rough figure. In so far as the potential loss is compensated for by an equivalently low burden of duties on the consumer, there is no real disadvantage involved to the economy."

Because, the Taxation Enquiry Commission has not been looking at it from the point of view of trade, but it looks at it from the point of view of the people of India paying the particular tax:

> "We have not attempted to make precise estimates based on a study of relevant trade and market of factors of the real cost of the preferences to the economy. This cost has to be balanced against the other advantages gained, primarily in the way of encouragement to the export trade."

To rely on a casual statement made for a purpose altogether different from the scope of this discussion, I am afraid, and if I may venture to say so, somewhat unjust to the Government.

Mr. Deputy-Speaker: Mr. Ramaswamy wanted to know how much other countries have lost by showing preference to us.

Shri T. T. Krishnamachari: I am afraid we have not attempted that figure.

Shri Karmarkar: He does not want to know it now.

Mr. Deputy-Speaker: He wanted information from the hon. Minister.

Shri T. T. Krishnamachari: It is rather difficult for me to enter into a discussion of the working of the economy of other countries. Even in the case of imperial preference I had an evaluation made about a couple of years back—September 1953. That evalution shows that so far as we are concerned, we have a certain advantage and we do not want to lose that advantage because it is substantial. I do not like to quote from a document which was not placed on the Table of the House, but I have been told very definitely that the concessions that we have made are offset certainly by the concessions that we have received in regard to certain commodities where there is some kind of competition.

Shri K. P. Tripathi (Darrang): May I request the hon. Minister to place on the Table of the House a document which will convince the House that the imperial preference is to our interest?

Shri T. T. Krishnamachari: Other hon. Members have made similar suggestions. I do not think it is in the public interest to place this document on the Table of the House. Perhaps we will make another evaluation and if I find that circumstances are propitious, I shall place these documents on the Table of the House. So far as this document is concerned I do not propose to place it on the Table of the House; I do not think any public interest will be served thereby.

An important point raised by hon. Members is in regard to Japan. My hon. friend Shri Somani think right he has been neglected. I shall certainly not let down such a doughty supporter of mine. He referred to the case of Japan with some anxiety. I may say that I also share that anxiety to some extent. These fears have been uppermost in our minds. At the same time, much as my hon. friend Mr. Trivedi dislikes it, we have to be brothers, if not elder brothers. We cannot altogether neglect the interests of other Asian countries. Japan has gone through a period of suffering with which we sympathised to such an extent that we did not want any compensation, or reparations from them. We have given active support to the entry of Japan into the GATT. If for no other reason than that it would make Japan follow the club rules of the GATT and the fears that we entertain about Japan might be falsified.

We have ourselves been giving Japan the Most Favoured Nation treatment in our tariffs since we signed the Peace Treaty with them. We are almost amongst the first countries in the world to treat Japan as any other soft currency country in our import licences. Although we have done all these, the fear expressed by Mr. Somani still remains, because it cannot be forgotten that the Government, or at any rate the Commerce and Industry Minister has to have a *bania* mind—a good *bania* mind sometimes. Many industries of ours are vulnerable to the cheap products which Japan exports,—though they can withstand competition from other countries—we do not know why it is so, whether they have a different system of costings for internal consumption which I am told they have, or whether they have not even a system of marginal costings. The Tariff Commission has repeatedly drawn the attention of Government to this particular fact and therefore with very great reluctance we have been compelled to invoke article 35 against Japan which means that we are not bound towards Japan by GATT provisions. In one sense we have fallen in line with other countries which have done so. This does not mean that we intend to discriminate against Japan. It is only a case of precaution against a possible contingency that might arise. I do hope that sonner or later we shall be able to arrive at an understanding with Japan which will reassure our industry against any kind of unfair competition from that country. And when once such an understanding is reached the way will be open to us to accept all or some of the obligations in the GATT towards Japan.

Sir, I have come very nearly to the end of my story. The consensus of opinion....

Shri N. B. Chowdhury: We would like to know something about the resolution to which I referred.

Shri T. T. Krishnamachari: I am sorry. I must apologize to my hon. friend. The resolution that he re-

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ferred to was on international investment for economic development. I do hope it will be possible for us sometime, if we continue to be a member of international organisation to send one or two of our friends from that side also to one of its meetings. Then they will find that these resolutions are pious sentiments, oftentimes with no meaning. This resolution on international investment for economic development, to which we have also subscribed, is like this. The final operative part says:

> "The contracting parties recommended that the contracting parties who are in a position to provide capital for international investment and the contracting parties who desire to obtain such capital"—one party is those who are in a position to provide capital and the other party is those who desire to obtain the capital—"use their best endeavours to create conditions calculated to stimulate the international flow of capital having regard in particular to the importance for this purpose of providing by appropriate methods for security for existing and future investment, the avoidance of double taxation, and facilities for the transfer of earnings upon foreign investments; and urge that contracting parties upon the request of any contracting party enter into consultation or participate in negotiations directed to the conclusion of bilateral and multilateral agreements relating to these matters."

This is all. This resolution says nothing. You are under no obligation to do anything. If you wish to have money and the other person is also wishing to help you, well, you can have a marriage. You might make a proposal, the other party might not be willing. I am sure the hon. Member must have had the experience. He might have proposed, the other party might not have agreed; or the other party might have proposed and he might have said 'no'. (*Interruption*). Therefore, it is a question of 'marriage' between two parties mutually willing to make the necessary adjustments for the parties to live together. There is no obligation on us to make or to accept any proposal.

Shri S. V. Ramaswamy: Any comments on the waivers of U.S.A. and U.K.?

Shri T. T. Krishnamachari: In regard to the question of waivers, as I said in reply to a question of Shri Viswanatha Reddy who, I think, did understand the position very correctly, we felt there is no need for asking for waivers as regards the cottage industry products. So far as the American waiver in regard to agricultural products is concerned, they were impelled to ask for it because of the provision of the Agricultural Adjustments Act which puts some obligation on the Government to give price support for their commodities. It is of no concern to us at all. Somebody referred to the import of ghee. I am told the ghee has been given free, and because it has been given free nobody wants to use it. A body called the Gandhi Mission Society wrote to me about and said that the ghee smells. Well, if it smells, they can throw it into the gutter. Nobody has paid for it. So, except for some free gifts, we have not in any way been affected by the waiver given to the United States in this particular regard.

Sir, I am coming to the end of my time. I wanted to refer to one or two outside matters, but I do not like to do so now. I wish to thank hon. Members and the House generally for —I use the word once again—the discriminating support that they have given to Government's action in this regard.

Shri N. B. Chowdhury: I would like to ask one question. Sir, the Fiscal Commission with which you were also associated made a suggestion that it should be the particular aim of India's representatives to secure for it the maximum tariff concessions in the foreign market and to safeguard its position from competitive imports from abroad so far as cottage and small-scale industries are concerned. I would like to know how far this was borne in mind and whether we have got any advantage with regard to the export of cottage and small-scale industries so far as the GATT is concerned.

Shri T. T. Krishnamachari: As I have said before, they have borne it in mind. At the present moment they did not feel inclined to ask for a waiver in this particular regard.

Mr. Deputy-Speaker: There are two substitute motions, one in the name of Shri K. K. Basu and the other in the name of Shri V. B. Gandhi. I shall first put Shri Basu's motion.

The question is:

That for the original motion, the following be substituted:

> "This House having considered the White Paper on the General Agreement on Tariffs and Trade, is of opinion that the agreement as modified is also not in the interest of the economic development of the country and therefore resolves that further modification of serveral Articles such as on 'Binding Rate of Duty', 'State Trading' etc. have to be made if an effective international organisation has to be created in the best interest of all countries including the under-developed ones."

The motion was negatived.

Mr. Deputy-Speaker: Now I shall put Shri V. B. Gandhi's motion.

The question is:

That for the original motion, the following be substituted:

> "This House having considered the White Paper on the General Agreement on Tariffs and Trade, approves of the revised Agreement and the policy followed by the Government in relation thereto."

The motion was adopted.

Mr. Deputy-Speaker: Shri S. V. Ramaswamy's motion is the same. So it is barred. The House will now talk up the next item of business.

REPRESENTATION OF THE PEOPLE (AMENDMENT) BILL AND REPRESENTATION OF THE PEOPLE (SECOND AMENDMENT) BILL.

The Minister of Legal Affairs (Shri Pataskar): I beg to move:

> "That the Bill further to amend the Representation of the People Act, 1950 and to make certain consequential amendments in the Government of Part C States Act, 1951, be referred to a Select Committee consisting of Pandit Thakur Das Bhargava, Shri T. N. Viswanatha Reddy, Shri Venkatesh Narayan Tivary, Shri S. C. Deb, Shri Durga Charan Banerjee, Shri Ganesh Sadashiv Altekar, Shri Balvantray Gopaljee Mehta, Shri Gopalrao Bajirao Khedkar, Shri H. C. Heda, Shri Radha Charan Sharma, Shri B. B. Varma, Shri C. D. Pande, Pandit Balkrishna Sharma, Shri Rameshwar Sahu, Shri Nemi Chandra Kasliwal, Shri Awadheshwar Prasad Sinha, Shri Feroze Gandhi, Pandit Algu Rai Shastri, Shrimati Subhadra Joshi, Shri H. Siddananjappa, Shri A. M. Thomas, Shri C. Ramasamy Mudaliar, Shri M. L. Dwivedi, Shri Mukund Lal Agrawal, Shri Bahadurbhai Kunthabhai Patel, Shri Shivram Rango Rane, Shri Nettur P. Damodaran, Shri Shriman Narayan, Shri U. Srinivasa Malliah, Shri Shree Narayan Das, Shri Chatterjee, Shri

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N. C. Chatterjee, Shri P. T. Punnoose, Shri Hirendra Nath Mukerjee, Shri M. S. Gurupadaswamy, Shri Sivamurthi Swami, Shri Amjad Ali, Sardar Hukam Singh, Shri Shankar Shantaram More, Shri Anandchand, and the Mover with instructions to report by the 30th November, 1955."

Along with this I would like to make a motion with respect to the other Bill also, to amend the 1951 Act.

Mr. Deputy-Speaker: Does he want to make a speech relating to both?

Shri Pataskar: These are two Bills. Formerly there were two Acts, one of 1950 and the other of 1951. And what is proposed to be done is to bring amendments with respect to both the Acts.

Mr. Deputy-Speaker: Then I shall allow the motions to be made. They will be put to the House separately. There will be a common discussion.

Shri Pataskar: and there will be a common Select Committee also.

I beg to move:

"That the Bill further to amend the Representation of the People Act, 1951, and to make certain consequential amendments in the Government of Part C. States Act, 1951, be referred to a Select Committee consisting of Pandit Thakur Das Bhargava, Shri T. N. Viswanatha Reddy, Shri Venkatesh Narayan Tivary, Shri S. C. Deb, Shri Durga Charan Banerjee, Shri Ganesh Sadashiv Altekar, Shri Balvantray Gopalji Mehta, Shri Gopalrao Bajirao Khedkar, Shri H. C. Heda, Shri Radha Charan Sharma, Shri B. B. Verma, Shri C. D. Pande, Pandit Balkrishna Sharma, Shri Rameshwar Sahu, Shri Nemi Chandra Kasliwal, Shri Avadheshwar Prasad Sinha, Shri Feroze Gandhi, Pandit Algu Rai Shastri, Shrimati Subhadra Joshi, Shri H. Siddananjappa, Shri A. M. Thomas, Shri C. Ramasamy Mudaliar, Shri M. L. Dwivedi, Shri Mukund Lal Agrawal, Shri Bahadurbahi Kunthabhai Patel, Shri Shivram Rango Rane, Shri Nettur P. Damodaran, Shri Shriman Narayan, Shri U. Srinivasa Malliah, Shri Shree Narayan Das, Shri N. C. Chatterjee, Shri P. T. Punnoose, Shri Hirendra Nath Mukerjee, Shri M. S. Gurpadaswamy, Shri Sivamurthi Swami, Shri Amjad Ali, Sardar Hukam Singh, Shri Shankar Shantaram More, Shri Anandchand, and the Mover with instructions to report by the 30th November, 1955."

As stated in the Statement of Objects and Reasons of each of the Bills, the changes proposed in our election law, that is the Representation of the People Act, 1950, and the Representation of the People Act, 1951, are based on the experience gained by the Election Commission as well as the Government in the working of that law during and after the last general elections of 1952. Detailed explanation of the various changes proposed has been given in the Statements of Objects and Reasons, clause by clause. Here, I may refer in brief only to the principal changes proposed in the two Bills and the reasons and principles underlying the same.

As regards the changes made in the 1950 Act by the first Bill, these changes are more or less simple and non-controversial and do not appear to call for any detailed explanation. They relate mainly to the preparation and revision of electoral rolls. As the House is aware, the present procedure for preparing separately the electoral rolls for parliamentary constituencies and the electoral rolls for Assembly constituencies leads only to unnecessary duplication of work and expenditure, because each parliamentary constituency consists of an integral number of Assembly constituencies. It is proposed to do away with this duplication by providing that the electoral roll of every parliamentary constituency shall consist of the electoral rolls of so much of all the Assembly constituencies as are comprised within that parliamentary constituency, and it shall not be necessary to prepare or revise separately the electoral roll for any such parliamentary constituency.

Then, the law at present—section 23 of the 1950 Act—requires that the electoral roll shall be prepared every year. There is no provision for annual revision of the electoral rolls. Annual preparation after house to house inquiry is not only expensive but also almost impracticable and entirely unnecessary. Annual revision of the rolls appears to be quite sufficient. Then, at present, there is no provision in the Act itself for the inclusion of names of electors in the electoral rolls. It is considered necessary to make specific provision in the Act itself in this behalf. Clause 13 of the Bill seeks to provide for all these things in the 1950 Act.

Mr. Deputy-Speaker: Hon. Minister means additional names?

Shri Pataskar: Yes; additional names.

There are a few other matters in this Bill to which I think a brief reference should be made. The first is that the requirement as to residence in a constituency for a period of 180 days during the qualifying period, that is to say, during the year immediately preceding the year in which the roll is prepared or revised, in order to entitle a person to be registered in the electoral roll, does not seem to be very necessary from the practical standpoint; moreover, it is hardly practicable to make a thorough inquiry on this point. Hence, it is proposed to do away with this requirement and that is tried to be done by clause 11 of the Bill.

The provision as to the qualifying date in relation to the preparation or revision of the electoral roll of a local authorities' constituency gives rise to an anomaly, because the names of persons who have ceased to be members of local authorities at the time of biennial elections to the Legislative Council of a State may continue in the electoral rolls and it may not be possible to register in the electoral rolls the names of persons who are members of local authorities at the time of such biennial elections. This difficulty was, in fact, experienced in connection with elections to the Legislative Council in Uttar Pradesh and Madras and the Governments of those States have been urging for suitable amendment in this connection. It is accordingly proposed, in clause 16 of the Bill, to do away with the qualifying date in the case of local authorities' constituencies, the electoral rolls of which would always be kept up-to-date by omitting therefrom the names of ex-members of local authorities and including therein the names of new members.

The expression 'Council of States constituencies' is misleading and is not readily understood by many persons. It is not a constituency for the election of a member to the Council of States, but it is a constituency for electing a member to an electoral College in the Part C. States of Kutch, Manipur and Tripura. It is proposed to change the name to 'electoral college constituency' to bring out the real connotation of the term and this is tried to be done by clause 2 of the Bill.

Lastly, I may refer to another small matter in this Bill. The definitions of 'Parliamentary constituency' and 'Assembly constituency' are proposed to be amended as in clause 2 of the Bill to cover not only the existing constituencies which will continue in force only until the dissolution of the existing Lok Sabha and the State Legislative Assemblies, but also the new constituencies formed by the Delimitation Commission, because the next general elections will be held on the basis of these new constituencies. It is from that point of view that these definitions are tried to be amended. This is with respect to the first Bill and I do not think there is much of controversy in it.

Coming to the second Bill containing the amendments proposed in the

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1951 Act, I may group the main changes proposed under the following categories:

(1) Changes relating to the notification of general elections;

(2) Changes relating to the election programme;

(3) Changes relating to the presentation and scrutiny of nomination papers;

(4) Changes relating to election expenses and return of election expenses; and

(5) Changes relating to election petitions and election tribunals and corrupt and illegal practices.

I propose to deal with these changes seriatim.

First, as regards the changes in relation to the notifications for general elections, Part III of the 1951 Act deals with notifications for general elections. While section 14(2) requires a general election to be held on the expiration of the duration of the Lok Sabha, the proviso to section 15 suggests that the notification calling the constituencies to elect at such general election may be issued before such expiration but not more than four months earlier. Section 16(2) and the proviso to section 17 contain similar provisions for general elections to the State Legislative Assemblies. The durations of the present Lok Sabha and the State Legislative Assemblies—except those of Andhra, PEPSU and Travancore—Cochin—are due to expire on different dates in the first half of 1957, but the provisos to sections 15 and 17 would make it impossible to hold general elections before their terms expire. Hon. Members will readily realise that there are very great advantages in holding the general elections throughout the country simultaneously. It is accordingly proposed to omit the provisos to section 15 and the proviso to section 17. Part III of the 1951 Act contains provisions relating to the holding of first elections under the Constitution. Those provisions have now become obsolete. A new Part III with suitable modifications is, therefore, proposed to be substituted for the existing Part III of the 1951 Act. That is what clause 6 of the Bill tries to do.

Members are aware that the election programme under our election law is a very lengthy process. A minimum of 42 days is required between the issue of the writ calling an election and the commencement of the poll. At least 30 days have to be allowed between the last date for the withdrawal of candidatures and the commencement of the poll. This is an unduly long period. It is also felt, at the same time, that the election programme should, as far as possible, be fixed in the Act itself. It is accordingly proposed not only to reduce the periods prescribed in clauses (a), (b) and (d) of section 30 of the Act, but also to provide in clause (a) that the last date for making nominations should be the tenth day after the publication of the notification calling the election and in clause (b) that the date of scrutiny should be the second day after the last date for making nominations. If these changes are carried out, the election programme would be reduced by about a fortnight with a consequential reduction in the overall election expenses of candidates. This is what clause 12 of the Bill attempts to do.

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Mr. Deputy-Speaker: What is the period between the date of the actual election and the final date of nomination?

Shri Pataskar: It will be reduced by about 12 days.

Mr. Deputy-Speaker: Will it continue to be 30 days?

Shri Pataskar: The overall period will be 42 days, but in this case it will be about 20 days.

Mr. Deputy-Speaker: Twenty days for eight lakhs of population?

Shri Pataskar: Both views have been taken into consideration, and I would leave it to the Select Committee to do what they like. In the first place, we are not trying to unduly restrict the time, nor do anything of that kind. I think the proposals made will further be gone into by the Select Committee and they could take whatever decision they think fit.

In the next place, the existing law as to the presentation and scrutiny of nomination papers has been found to be difficult and cumbrous. The formalities to be complied with at the time of presentation of a nomination paper are very often difficult to comply with and in many respects quite unnecessary. Sub-section (2) of section 33 restricts the number of nomination papers which one member can subscribe as proposer or seconder. It has been found that this restriction has caused a lot of hardship. This provision serves no useful purpose and has led to many complications. From the practical standpoint, it seems quite immaterial whether an elector subscribes one or more than one nomination papers. Not infrequently nomination papers are improperly rejected because of the existence of the proviso to sub-section (2). It may be said that even the candidate himself does not know as to how many nomination papers have really been subscribed by the proposer or seconder.

Then, the experience of the last general elections shows that the system of election agents has not been very popular with the candidates in our country. In many cases, persons have not appointed agents, except in very rare cases. Under sub-section (3) of section 33, every nomination paper shall be accompanied by a declaration that the candidate has appointed either himself or another specified person as his election agent. On the ground of failure to comply with this provision, many nomination papers have been rejected in the past. It is accordingly proposed (*vide* clause 14 of the Bill) to simplify section 33 by deleting the provisions contained in sub-section (2) and by doing away with the requirement of a declaration as to the appointment of an election agent.

Mr. Deputy-Speaker: There will not be any election agent?

Shri Pataskar: A man may appoint an election agent, but it is not necessary.

Mr. Deputy-Speaker: The nomination paper will not be vitiated.

Shri Pataskar: That is what I mean. If a person wants to appoint an election agent, there is nothing to prevent him from doing it. But if he does not do it, there is nothing lost. Otherwise, at the present moment, the law is that unless a man appoints either himself or another specified person as his election agent, his form is rejected. That position is now being sought to be rectified. By another clause—clause 21—it is proposed to make the appointment of election agent optional for a candidate. As the nomination paper should be as simple as possible, it is proposed to dispense with a seconder and also to provide that in the case of a scheduled caste or scheduled tribe candidate, there need not be a separate declaration: it will be enough if the nomination paper itself contains the declaration. Then, a deposit does not seem to be necessary in the case of an election to the Council of States or to a State Legislative Council by the members of the Legislative Assembly of that State. By clause 15 of the Bill, it is proposed to do away with this requirement. Under section 36 of the Act, there are as many as five grounds on which a nomination paper may be rejected. Out of a total of 338 election petitions arising out of the last general elections, as many as 116 contained allegations relating to improper rejection of nomination papers. The scrutiny of nomination papers by the Returning Officer is of a summary nature; the grounds on which a nomination paper can be rejected should, therefore, be simple so that the Returning Officer may take quick and correct decisions. But the question whether a candidate is 'disqualified' is usually a complicated one and

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involves difficult points of fact and law. It is, therefore, proposed to remove this question from the puriew of the Returning Officer. It can be agitated, if necessary, by means of an election petition after the election is over. It will thus be seen that by these amendments the Bill seeks to make the nomination of a candidate more simple and the work of scrutiny much easier.

In the next place, coming to the changes proposed in the law relating to election expenses and the return of election expenses, I may point out that the law as contained in this behalf in sections 76, 77 and 78, and also section 44, of the Act has been found to be unnecessary complicated and difficult to comply with......

Mr. Deputy-Speaker: Even if a candidate is a minor and definitely known to be so to everybody, not a minor but below 25 years of age, he must be allowed to contest. Is that the idea?

Shri Pataskar: That is not the idea. The idea is that these simple matters will be decided by him because it can be easily ascertained from the births register or other document whether a man is 25 years old or over. But the question whether a man is 'disqualified' is a complicated matter and such questions are left out from the purview of the Returning Officer. The intention is to make the nomination of candidate as simple as possible.

Mr. Deputy-Speaker: Why not do it *prima facie* as the case of claims petitions in courts of law? When a property is attached, if there is a document, the claim is allowed—unless of course the document is apparently forged.

Shri Pataskar: That may be done in the rules. With regard to the question of age, there will be no difficulty because one side or the other may produce an extract from the birth register which will show whether he is a minor etc.

Pandit Thakur Das Bhargava (Gurgaon): In the previous Bill referred to the Select Committee in 1953, the Select Committee arrived at a decision that nomination must be finalised before we proceed to election; otherwise, it may be that even a minor might get elected and ultimately it may be proved that he was a minor or a person disqualified to contest the election. On this matter there is a conflict of principles.

Shri Pataskar: As a matter of fact, there was already a Bill and I am aware that many of these matters are capable of interpretations in both ways. Let me try to explain the point of view from which the present provisions are drafted in this Bill. I am aware that in a matter of this kind there is bound to be a very large difference of opinion, and I shall be patient to consider every little point when that matter is discussed. This is a matter in which it would be very difficult for any person to say that what he thinks is the only way of solving the question. I would like to place these provisions before the House as they have been drafted in this Bill from the point of view of those responsible for the production of this document. We can discuss it.

In the next place, coming to the changes proposed in the law relating to election expenses and the return of election expenses, I may point out that the law as contained in this behalf in sections 76, 77 and 78 and also section 44 of the Act has been found to be unnecessarily complicated and difficult to comply with, with a clear and honest conscience, and there has been an insistent demand from various quarters for the simplification of this part of the law.

Shri Kamath (Hoshangabad): The hon. Minister is a bit too fast; let him go a bit slowly, please.

Shri Pataskar: I am entirely reading. Even on the last occasion when the previous Bill was there, this point was prominently brought out by many hon. Members in their speeches. Therefore, we have taken all those points into account, and I shall, therefore, try to explain what the present provisions mean. It is accordingly proposed to simplify the law in this respect and make it workable by revising the sections mentioned above as in clause 41 of the Bill. The operation of these sections will be limited only to elections to Lok Sabha and the State legislative Assemblies. The duty of maintaining a regular and separate accounts of all election expenses at these elections will be thrown primarily on the candidate himself but if he has an election agant, he can ask that agent to maintain the account. It was the experience of the last elections that expenses incurred by recognised party organisations were incurred by that organisation not for the purpose of the election of a perticular candidate but of all the candidates put forth by that organisation and there was a complaint that it was very difficult to allocate that party expenditure between candidate and candidate. For example, in the case of a parliamentary constituency for which there was a candidate, there were about five or six candidates who were set up by that party organisation as candidates to the State legislatures.

Mr. Deputy-Speaker: In the same constituency?

Shri Pataskar: Yes. Because the Parliamentary constituency is much wider. Supposing there is a district and in that district there is one candidate for the Parliamentary constituency and there are others for the State legislatures, the party organisation carries on canvassing in the interest of all those. The return of expenditure showed as if some amount was spent for every particular candidate. It is very difficult to do that. Naturally it was difficult or almost impossible in such a case to say what expense was incurred by the party organisation for a particular candidate. In such cases, the party organisation had to arbitrarily divide the common expenditure between the different candidates in order to show it in different returns of these candidates as their separte expenses. This could easily be challenged in any subsequent proceedings before the tribunal. As a matter of fact, if I am right, last time many hon. Members took exception to this provision on the ground that they had to make returns and submit them in this form though they believed that what they were going to do was not the right thing.

Another difficulty experienced in this connection was that party organisations naturally canvassed over large areas in favour of their candidates in different areas. In many areas, there would be only one candidate on behalf of their party; and in such a case the question would arise whether the organisation had canvassed in support of the candidates of their party in general or whether they had canvassed only in respect of that particular candidate. On that depended the question whether the money spent in that area should or should not have been shown in the return of election expenses. These were the practical difficulties which were pointed out during the course of the debate last time.

To avoid all these complications, it is proposed to provide that the expenses incurred by recognised party organisations in furthering the prospects of candidates supported by it will not form part of the election expenses of any individual candidate. Then again it is proposed that only the contesting candidates will be required to lodge an account of their election expenses because in many cases it was found that people had withdrawn from the contest and naturally they never bothered to submit any return.

Shri M. S. Gurupadaswamy (Mysore): May I know whether the political parties are required to file their returns?

Shri Pataskar: At the present movement there is no such provision and I am only tentatively explaining the proposals made. I think they will have to be considered in detail when

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the matters goes before the Select Committee.

Only the contesting candidates will be required to lodge an account of their election expenses and then too not a complicated return as at present. Lastly the present restriction on the number of persons who may be employed on payment in connection with the elections will be removed as it does not seem to serve any useful purpose.

I may now refer briefly to the changes proposed in relation to election petitions and election tribunals and corrupt and illegal practices.

Mr. Deputy-Speaker: Has the maximum been increased? The constituency has been increased from 7.5 to 8.5 lakhs.

Shri Pataskar: No. I am only referring to the proposals which we have made in the amending Bill. At present the period of limitation for presenting an election petition is left to be prescribed by rules. This does not seem proper. It is proposed to specify this period in the section itself. This period would be two months from the date of the election of the returned candidate. As at present it is a complicated thing which was provided for in the rules and it lead to many complications. Section 82 at present requires that all the duly nominated candidates shall be joined as respondents to an election petition. The number of duly nominated candidates is often very large but subsequent to nomination many of them withdraw from the contest. They naturally have no interest left either in the election or the dispute arising out of it later. It is only the contensting candidates who are generally interested in the election petition. Morever there is a provision in section 90 which enables any other candidate to join as a respondent. It is accordingly proposed by clause 43 of the Bill to revise section 82 so that it will be necessary to join as respondents only those candidates who are interested *prima facie* in the outcome of the election petition. The provisions of section 83 (2) requiring a separate list setting forth full particulars of the corrupt and illegal practices alleged has been found to serve no useful purpose. On the contrary, it has in many cases resulted in protracting the proceedings before the tribunals. It would be simpler from all points of view if the petition is complete in itself and contains all the particulars of the corrupt and illegal practices alleged. It is proposed to amend section 83 from this point of view. At present under section 85 it is obligatory upon the Election Commission to dismise an election petition if it does not comply with sections 81, 83 and 117. The question whether section 83 has been complied with or not cannot properly be decided without hearing both parties. On the other hand, the Election Commission will find it easy to see whether section 82 has been complied with. It is, therefore, proposed to substitute section 82 for section 83 in section 85. At the same time in view of the nature of election petitions and the desirability of reaching finality in regard to all election matters, it is felt that the provision for condoning delay should be omitted from section 85. By clause 46 of the Bill section 85 has been revised accordingly. It may be mentioned here that the power to dismiss a petition for non-compliance with sections 81, 82 and 117, is proposed to be given also the election tribunal. There were some disputes and some arguments about these matters and we want to make these clear by these provisions.

Under section 86 an election tribunal is to consist of three members of whom, the chairman shall be either a retired or serving Judge of a High Court or a retired or serving District Judge, the second member shall be a retired or serving District Judge and the third members shall be an advocate of not less than ten years' standing. The delay in the disposal of several election petitions was partly attributable to this composition. The intention in having a three-member tribunal was that its decisions would be final and not open to any appeal or revision before a higher court but it has been held in several cases by the Supreme Court that the powers conferred by article 136 and articles 226 and 227 of the Constitution are exercisable in relation to election tribunals also. In order to reduce the expense and delay which the existing composition of a three-member tribunal necessarily involves, it is proposed to amend section 86 providing for double-member tribunals consisting of serving District Judges only......

Shri Kamath: Both.

Shri Pataskar: Yes...... and to provide in revised section 104 that in the case of difference between the two members on any question regarding the final order to be made, the question should be referred to a Judge of the High Court nominated for the purpose by the Election Commission with the concurrence of the Chief Justice and the final order should then be made by the tribunal in accordance with the decision of the Judge upon the reference. So, the idea is that in the first instance the tribunal will consist of two serving Judges and if there is a difference of opinion amongst them they might refer the matter to a High Court Judge who may be nominated for the purpose by the Election Commission.

Shri S. S. More (Sholapur): May I know what is the point in having two Judges?

Shri Kamath: One may be an advocate.

Shri Pataskar: Well, I think, that also may be a matter which we can discuss in the Select Committee.

It is hoped that by this provision there will be speedier disposal of election petitions in future. Hereafter I will be mentioning certain facts which I hope the Select Committee will also take into account.

At present the Election Commission has no power to transfer an election petition from one tribunal to another, with the result that an election tribunal, if it is so minded, may sit over an election petition as long as it likes. As a matter of fact, in some cases in the absence of such a power the Election Commission could not take any action for the expeditious disposal of petitions and much unnecessary expense had to be incurred. By clause 48 of the Bill it is proposed to insert a new provision Election Commission in this behalf.

There does not appear any sound and valid reason why the entire election should be set aside on the ground of improper acceptance or rejection of any nomination paper. It is accordingly proposed to omit clause (c) of sub-section, (1) of section 100 and to provide in sub-section (2) that if the tribunal is of the opinion that the result of the election in so far as it concerns a returned candidate has been materially affected by the improper acceptance or rejection of a nomination the tribunal shall declare the election of a returned candidate only to be void.

Then, in plural-member constituencies if bribery, undue influence or intimidation prevailed in the contested election relating to the general seat there is no justifiable reason why the uncontested election of the reserved candidates should also be set aside. It is accordingly proposed to insert a proviso to the proposed sub-section (1) of section 100. That is tried to be done by clause 53.

Again, it might happen that although on the date of presentation of scrutiny of the nomination paper a candidate was not disqualified for being chosen as a......

Mr. Deputy-Speaker: Should it not be *vice versa* also; if in the reserved seat there is some trouble, malpractice and other things, why should a general seat candidate who is returned....

Shri Pataskar: That will also be considered by the Select Committee. Now, I was saying, it might happen that although on the date of presentation or scrutiny of the nomination paper a candidate was not disqualified for being chosen as a member, he subsequently, but before the date of

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his election, incurred a disqualification and continued to be subject to that disqualification even after the election. Such a case would be outside the purview of section 100(1) (c) as well as of section 100 (2) (c). It is accordingly proposed to insert a new provision in sub-section (2) of section 100 that if the tribunal is of the opinion that on the date of his election a returned candidate was not qualified, or was disqualified to be chosen to fill the seat under the Constitution or the Act, the tribunal shall declare the election of the returned candidate to be void.

Under clause (b) of the Explanation below section 123 (8) of the 1951 Act a State Government is debarred from exempting village officers from the operation of section 123 (8) with the result that no one who comes under the category of a village officer can canvass at as election for another candidate. For example, a Lambardar who is a village officer in Punjab can stand as a candidate for election because his disqualification for membership has been removed by the Punjab Act IV of 1950 but he continues to be subject to the disqualification that he cannot canvass for support to any candidate for that disqualification could not be removed by the Punjab Legislative Assembly on account of the provisions contained in section 123 (8). This provision leads not only to hardships but also to anomalies at the time of elections. It is accordingly proposed that clause (b) of the Explanation relating to persons serving under the Government of any State should be on the same lines as clause (a) of that Explanation relating to persons serving under the Central Government so that it will be competent for the Government of a State to exempt village officers or any other officer of the State Government from the operation of section 123 (8).

Certain judicial decision have raised doubts as to whether acting as an election agent or polling agent or counting agent of a candidate would be regarded as assisting in the furtherance of the prospects of a candidate's election within the meaning of section 123 (8) of the Act. It is proposed to remove these doubts by making an express provision on that acting as any such agent shall be regarded as assisting in the furtherance of the prospects of a candidate's election. That is what is attempted to be done by clause 60 of the Bill.

At present the Election Commission has no power to remove any disqualifications for membership under section 139 or section 140 of the Act but the Election Commission has power to remove any disqualifications for voting under section 144. A disqualification for membership under section 7 (c) of the Act, however, may be removed by the Election Commission. There does not appear to be any sound reason why a constitutional authority of the status of the Election Commission should not be given the power to remove disqualifications for membership in other cases also. It is accordingly proposed to give this power to the Election Commission by new section 140-A as is tried to be done by clause 65 of this Bill.

I have practically dealt with all the major amendments proposed in our election law. I may refer only to one other matter. Experience of the last general elections has shown that the period of two months specified in section 8 (1) (b) of the 1951 Act is quite insufficient for scrutinising all the returns of election expenses and deciding whether they have been lodged within the time and in the manner required by law. It is therefore proposed that clause (b) of section 8 (1) should be amended so that the disqualification does not become operative until the expiration of two months from the date on which the Election Commission has decided the point. That is tried to be done by clause 3 and 4 of the Bill.

I will now only refer to one important matter. Previous to the introduction of these two Bills, another Bill had been brought before this House for the purpose of **amending both the** Representation of the People Acts and that was the Bill to which our hon. friend Pandit Thakur Das Bhargava referred. That Bill was also referred to a Select Committee. The Select Committee had considered that Bill and submitted its report to the House. The scope of that Bill was, however, limited and it was thought desirable that that Bill should be withdrawn and a more comprehensive Bill brought before the House. I gave an assurance to the House to that effect at the time of the withdrawal of that Bill on the 7th of May, and thereafter I introduced these two Bills in this House on the 4th August. The recommendations of that Select Committee have been duly taken into account while framing these two Bills. Though we have not in some cases exactly agreed with the decisions made by them, by and large, I think their recommendations have been adhered to so far as these two Bills are concerned.

The proposals made in these two Bills are not only based, as stated at the very beginning of my speech, on the experience gained by the Election Commission and the Government during the past few years, but they also embody practically all the important recommendations which the Election Commission has made in its report on the first general elections in India. Hon. Members must have noticed, I believe, that the two Bills are fairly comprehensive in their scope and I hope they will be duly considered by the Select Committee and met with the approval of the House.

I would take the liberty of the House to make a very brief survey of the rise and growth of elected law-making bodies in our country. The present system of law, as is well known, is based on the system of law as it obtains in England and has been introduced in our country by the British.

Till 1833, statute lay in our country was made by executive orders of Government in the shape of Regulations of the Bengal, Bombay and Madras Codes. Under the provisions of the Charter Act of 1833, passed by the British Parliament, Lord Macaulay was first appointed the Law Member to the Government of India and the Governor General in Council became the Legislative Council of the country. By the Charter Act of 1853, this Council, when acting as a legislative body, was enlarged by the addition of six more members, two of whom were English Judges of the Calcutta Supreme Court and four were officials.

It was by the Indian Councils Act of 1861 that local legislatures were established for Bombay and Madras, and the Indian Legislature was expended by the additionof more members up to twelve, of whom not less than half must be non-officials. They were, however, to be nominated only, and there was no question of election.

By the Indian Councils Act of 1892, provision was made for the increase in the number of members of the Indian Legislative Council as well as of the local Legislative Councils. By this Act, the Governor-General in Council was empowered, with the sanction of the Secretary of State in Council, to make rules regulating the conditions under which the Members were to be nominated. The elective element was not yet in sight even then. In the Montague-Chelmsford Report of 1917, it is stated that "The term 'election' was sedulously eschewed".

In 1909, mainly under the pressure of political unrest in the country and various other factors, the Morley-Minto reforms were introduced by the Indian Councils Act of 1909. For the first time in the history of the growth of legislative bodies in India, provision was made by these reforms for the inclusion of some elected members in the Legislative Councils both Indian and local, but these members were elected by methods of indirect election.

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The system of direct election was for the first time introduced by the Government of India Act, 1919, which was passed on the recommendations of the Montague-Chelmsford Report. By section 64 of the Government of India Act, as amended by the 1919 Act, provisions were made for the making of rules by the Governor-General relating to the qualifications of electors, constitution of constituencies, qualifications for membership, final decision of doubts and disputes as to the validity of an election and so on. Similar rules in relation to the local Legislative Councils were framed under section 72-A (4) of that Act. That is really the beginning of the election law in our country.

In 1920, the Indian Elections Offences and Inquiries Act was passed to provide for the punishment of malpractices in connection with elections and to make further provisions for the conduct of enquiries in regard to disputed elections. That is the first Act relating to malpractices, etc., in elections. Then came the Government of India Act, 1935, under which the first elections were held, as the hon. Members are aware, in the beginning of 1937. By section 291 of that Act, power was given to His Majesty to make provisions from time to time by Orders-in-Council with regard to delimitation of constituencies, qualifications of electors, qualifications for membership, conduct of elections, election expenses, corrupt practices and other offences at or in connection with elections, decision of doubts and disputes arising out of or in connection with elections and matters ancillary thereto. Various Orders-in-Council were made by His Majesty in this respect and I need not elaborate at length on the provisions of those Orders-in-Council. Rules providing for matters of details in respect of these matters were also made by the Central Government and by the various Provincial Governments. The point to be emphasised is that even in the Government of India Act, 1935, there was no provision for universal adult suffrage in our election law. Universal adult suffrage was introduced for the first time by our Constitution, in article 326. Under this article, every person who is a citizen of India and who is not less than twenty-one-years of age on the qualifying date is entitled to be registered as a voter at an election to the Lok Sabha or to the legislative Assembly of a State. In pursuance of the provisions contained in Part XV of the Constitution, as well as entry No. 72 in the Union List of the Seventh Schedule, the Representation of the People Acts, 1950 and 1951, were passed by Parliament. Elaborate provisions have been made by rules made by the Central Government after consultation with the Election Commission for the proper administration of these two Acts and the first general elections in the country on the basis of universal adult suffrage were held in the year 1952.

It will thus be seen that the history of election to legislative bodies is of recent growth. For long years, the people of India had been denied the right to make our own laws to suit the needs of our country. When we got the right to frame our own Constitution, we laid down in it the goal which we desire to achieve and the method by which we want that goal to be reached. By our Constitution we have set before ourselves the ideal of parliamentary type of democracy. In a parliamentary type of democracy, the basis is the Parliament itself elected on the widest possible franchise and in a manner which will ensure free and fair elections to that body. It is, therefore, of the highest importance in this type of democracy that the elections to Parliament must be free and fair. In India, with its vast and varied population, it was a matter of doubt with some whether a democracy of this type would serve the purpose of reaching the goal which we have laid before ourselves in our Constitution. There are countries in the world where this type of democracy is in operation; the oldest of them is probably the United Kingdom; but it is a very old institution which has grown by stages and through centuries.

Our Constitution, providing for the widest possible franchise to our people, naturally attaches the highest importance to the matter of elections and it has made elaborate provisions in that behalf. By and large, it can safely be said that the first experiment of elections based on adult franchise has well succeeded and, on the whole, the working of this type of domocracy in our country clearly shows that people are taking to it. Naturally, we did experience some difficulty with all the precautions that we took by the provisions contained in the two Acts of 1950 and 1951 and the rules made thereunder. The present Bills are only an attempt to rectify some of the mistakes which have been discovered.

Shri Kamath: Many, many mistakes.

Shri Pataskar: As this system gets more and more firmly rooted among the people, I am sure its working also will improve.

The one disturbing feature of the last general elections was the number of election petitions that were filed and the consequent number of inquiries undertaken and the length of time for which these inquiries dragged on. As a result of the last general elections in India, the following information will be found instructive:—

The number of election petitions filed in respect of elections to (a) the House of the People was 39; (b) the Council of States—3; (c) the State Legislative Assemblies 286; and (d) the State Legislative Councils—10. Total—338. The number of election petitions withdrawn before the Election Commission was six; and the number of election petitions dismissed by the Election Commission was 18. The number of election petitions admitted by the Commission was 314, and the number of Election Tribunals constituted was 64. The total expenditure on Election Tribunals up to July 1955 was in the neighbourhood of Rs. 1·6 lakhs.

Shri Kamath: What is the number of petitions allowed?

Shri Pataskar: I have not got those figures. But very few were allowed. Of course, I have nothing to say about allowing the petitions, but naturally, there must have been very few petitions of that kind.

Shri G. H. Deshpande (Nasik Central): How many petitions remain undecided yet?

Shri Pataskar: I would like the hon. Members to bear with me. I do not want to offer any personal comment, but I want to give the whole picture.

Shri Kamath: Only for information, I asked the question.

Shri Pataskar: Yes, but I am giving the picture as it stands today so that people may come to their conclusion.

As compared with this, it is to be noted that in England there are but rarely such petitions. I am informed that after the recent elections there, only one petition has been filed.

Shri Kamath: There, it is a 300-year old democracy. Here, it is only five years old.

Shri Pataskar: There is some difference of opinion between the hon. Member and myself. I am afraid that in our country election disputes are not looked at from a proper perspective. They are treated almost in the nature of being a matter of litigation between two contesting rival candidates, and the tribunals and the courts who have occasion to deal with them also do not seem to make much distinction between these disputes and, say, the disputes relating to property between two rival litigants.

Election disputes is not really so much a matter of dispute between two contesting rivals only, as it is a matter of greater importance from the

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point of view of the right of the people to have the representative of their choice in the Assembly or Parliament. It is from that point of view that it has got to be looked into. I will just give the history of these Acts; I would like to have the attention of my learned friend, Shri Kamath.

Shri Kamath: I am all attention.

Shri Pataskar: In the United Kingdom, in the beginning, the power of deciding whether a member was validly elected was not decided by any Judge or Court, but was decided by Parliament itself by appointing their own Committee. It was mainly to avoid political bias, that this right of Parliament to decide election disputes was transferred in the U. K. first one Judge by the Parliamentary Elections Act, 1868, and later to two Judges by the Parlimentary Elections Corrupt Practices Act, 1879. This transfer of power to judges does not, however, affect the right of Parliament at any time to exercise its inherent prerogative of determining its own affairs The material portions of the 1868 Act have now been repealed and are re-enacted in the Representation of the People Act, 1949, being consolidated with provisions enacted from time to time during this period.

In the United States of America, the power of deciding election disputes is vested by the Constitution in each House of the Congress. Clause (1) of section 5 of Article I of the United States Constitution provides as follows:

> "Each House shall be the Judge of the Elections, Returns and Qualifications of its own Members."

Our Constitution-makers—the hon. Member opposite was with me there....

Shri Kamath: We were in good company.

Shri Pataskar:.....were also aware not only of the necessity to make ample provision for free and fair elections, but also to keep them free from judicial interference, as I would like to call it. They therefore laid down specifically in article 329 that an election can only be called in question by an election petition as provided by law of Parliament and by no other method. It was from this point of view that the Representation of the People Act, 1951, made elaborate provision for the trial of election petitions by Tribunals of a special character. The underlying idea was that the election disputes should be decided speedily and finally. Experience has, however, shown that the working of these Tribunals and the various orders issued by different High Courts and the Supreme Court have led to considerable delay in the disposal of these disputes.

I have one thing to say about the judiciary. I am sure our judges in India, as those in England, are familiar with the public's sense of justice and wherever they have a latitude, they automatically keep within the bounds which that rather vague, but very powerful force, sets for them. But when they have no latitude, they cannot naturally hesitate to give judgements which may not tally with the public's concept of justice. In such cases, they naturally expect the proper authorities to take some remedial action. In my view of the matter, something about making these decisions speedier has to be done by us. Therefore, I have tried to place before the House all this information with respect to the provisions in the different democratic countries. It is not from the point of view of criticising any particular provision. I only want to make the decisions of these disputes speedier and final; it is purely from that point of view that I have tried to make these observations. I am sure the Select Committee will take all these matters into consideration.

I commend my motions to the acceptance of this House.

Shri G. H. Deshpande: May I make a suggestion? If a copy of the speech just delivered by the hon. Minister is circulated to the Member of this House, it will be very helpful.

Several Hon. Members: Yes.

Shri Pataskar: It will be done tomorrow.

Mr. Deputy-Speaker: Motions moved:

(1) "That the Bill further to amend the Representation of the People Act, 1950, and to make certain consequential amendments in the Government of Part C States Act, 1951, be referred to a Select Committee consisting of Pandit Thakur Das Bhargava, Shri T. N. Viswanatha Reddy, Shri Venkatesh Narayan Tivary, Shri S.C. Deb, Shri Durga Charan Banerjee, Shri Ganesh Sadashiv Altekar, Shri Balvantray Gopaljee Mehta, Shri Gopalrao Bajirao Khedkar, Shri H. C. Heda, Shri Radha Charan Sharma, Shri B. B. Varma, Shri C. D. Pande, Pandit Balkrishna Sharma, Shri Rameshwar Sahu, Shri Nemi Chandra Kasliwal, Shri Awadheshwar Prasad Sinha, Shri Feroze Gandhi, Pandit Algu Rai Shastri, Shrimati Subhadra Joshi, Shri H. Siddananjappa, Shri A. M. Thomas, Shri C. Ramasamy Mudaliar, Shri M. L. Dwivedi, Shri Mukund Lal Agrawal, Shri Bahadurbhai Kunthabhai Patel, Shri Shivram Rango Rane, Shri Nettur P. Damodaran, Shri Shriman Narayan, Shri U. Srinivasa Malliah, Shri Shree Narayan Das, Shri N. C. Chatterjee, Shri P. T. Punnoose, Shri Hirendra Nath Mukerjee, Shri M. S. Gurupadaswamy, Shri Sivamurthi Swami, Shri Amjad Ali, Sardar Hukam Singh, Shri Shankar Shantaram More, Shri Anandchand, and the Mover, with instructions to report by the 30th November, 1955".

(2) "That the Bill further to amend the Representation of the People Act, 1951, and to make certain consequential amendments in the Government of Part C States Act, 1951, be referred to a Select Committee consisting of Pandit Thakur Das Bhargava, Shri T. N. Viswanatha Reddy, Shri Venkatesh Narayan Tivary, Shri S. C. Deb, Shri Durga Charan Banerjee, Shri Ganesh Sadashiv Altekar, Shri Balvantray Gopaljee Mehta, Shri Gopalrao Bajirao Khedkar, Shri H. C. Heda, Shri Radha Charan Sharma, Shri B. B. Varma, Shri C. D. Pande, Pandit Balkrishna Sharma, Shri Rameshwar Sahu, Shri Nemi Chandra Kasliwal, Shri Awadheshwar Prasad Sinha, Shri Feroze Gandhi, Pandit Algu Rai Shastri, Shrimati Subhadra Joshi, Shri H. Siddananjappa, Shri A. M. Thomas, Shri C. Ramasamy Mudaliar, Shri M. L. Dwivedi, Shri Mukund Lal Agrawal, Shri Bahadurbhai Kunthabhai Patel, Shri Shivram Rango Rane, Shri Nettur P. Damodaran, Shri Shriman Narayan, Shri U. Srinivasa Malliah, Shri Shree Narayan Das, Shri N. C. Chatterjee, Shri P. T. Punnoose, Shri Hirendra Nath Mukerjee, Shri M. S. Gurupadaswamy, Shri Sivamurthi Swami, Shri Amjad Ali, Sardar Hukam Singh, Shri Shankar Shantaram More, Shri Anandchand, and the Mover with instructions to report by the 30th November, 1955."

I have also received notice of an amendment from Shri N. C. Chatterjee.

Shri N. C. Chatterjee (Hooghly): My amendments are very short. I have given notice of them along with Pandit Thakur Das Bhargava, Shrimati Sucheta Kripalani, Shrimati Renu Chakravartty, Shri C. D. Pande, Shri Kamath, Shri A. S. Saigal, Shri M. S. Gurupadaswamy and Dr. Krishnaswami.

I beg to move:

(1) That in the first motion, *after* "the mover" *insert*:

"with instructions that matters other than those dealt with in the Bills, but relating to election in general and matters dealt with in the Representation of the Peo-

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ple Acts 1950 and 1951 (XLIII of 1950 and 1951) be considered and amendments allowed to be moved and made and also".

That in the second motion after "the mover" *insert*:

> "with instructions that matters other than those dealt with in the Bill, but relating to election in general and matters dealt with in the Representation of the People Acts, 1950 and 1951 (XLIII of 1950 and 1951) be considered and amendments allowed to be moved and made and also".

The hon. Minister has made a very clear and lucid speech. The only thing that I want to point out is that there are certain matters which ought to be considered by the Select Committee. As the hon. Minister has been good enough to put my name on the Select Committee, I do not want to say anything with regard to the merits of any of the important matters therein. But you may remember that when the Representation of the People Amendment Bill was first introduced in this House, there were many important discussions. I particularly remember the very forcible speech delivered by Shri Purushottamdas Tandon in which he suggested that a good deal of fair and free election could be secured, if drastic changes were made with regard to the return of election expenses. As a matter of fact, Pandit Thakur Das Bhargava put in a note of dissent to the report of the Select Committee in which he pointed out, if I may say so with great respect, very pertinently, that 'the rules as they stand put a great strain on the conscience of the Members.' The rules and regulations are such that the Members find it physically impossible to deal with the same. If you look at the figures, you will see that there are only 300 and odd election petitions presented; I think 336. Out of them, over 116—if I remember the figure correctly—dealt with improper expenses and rejection of nomination papers. Only 222 dealt with matters other than expenses and rejection of nomination papers, out of 29,000 candidates, that is a very small percentage. Therefore, it is very desirable at this stage to consider whether we should have at all very strict rules regarding lodging returns of election expenses. For instance, I represent a constituency where there are 3,60,000 voters. Now probably it will be more than 4 lakhs......

[SHRI BARMAN *in the Chair*]

Shri Pataskar: May I intervene for a minute? All these are important matters which may be dealt with by the Select Committee.

Shri N. C. Chatterjee: What I am pointing out is this. There are many matters which are very pertinent but which are not covered by the Bill. They are ancillary. I am not saying that we should be allowed to put in any extraneous matter. I am only pointing out that there are many other important matters, like disqualifications. Take, for instance, the question whether there should be any Return of election expenses at all, whether there should be a ceiling at all.

Shri Pataskar: All these things will be there; there is no doubt about that.

Pandit Thakur Das Bhargava: What about disqualifications? There are so many conflicting decisions in the various High Courts. Section 7 is not included here. A few other matters are there. We shall be adding only a few. If they are already there, we are not anxious to add. Each Member has his own experiences.

Shri Pataskar: If it only concerns Return of election expenses and matters arising out of it, they will be there.

Shri N. C. Chatterjee: Take, for instance, section 7: disqualification of membership. Even if a man has failed to lodge a Return of election expenses, within time, there is a definite disqualification. We do not think section 7 is being touched by this Bill. Therefore I am simply asking the Select Committee to consider such matters. You may remember, when the Preventive Detention (Amendment) Bill came before this House, Sardar Hukam Singh gave an amendment exactly of this character: the House instructs the Select Committee that matters other than those dealt with in the Bill, but relating to the Preventive Detention Act, should be considered and amendments allowed to be moved, and made. Otherwise, what would have happened. There were 16 sections. Dr. Katju was the Minister in charge and he wanted to amend 4 sections. If you say that section 5 should be amended, the Chairman of the Select Committee will say that that is not a section before the Select Committee. You may remember the very strenuous debate on Sardar Hukam Singh's motion. The Prime Minister came and he said that it was very desirable and there should not be any objection to consider those matters because they were a part of an integrated scheme. What I am saying is, there are other matters: disqualification and Return of election expenses, desirability of having a ceiling, whether there should be preliminary trial, etc. As you know, thousand of candidates file nomination papers and they withdraw before the final date. They are not at all candidates. They are mere dummy candidates. Every party sets up one official candidate and also sets up a dummy candidate. The dummy never fights. It so happens that simply because he has failed to lodge a Return of election expenses with all the paraphernalia, he is disqualified. He is disqualified even from voting at the election. These are some of the things which ought to be taken into account.

Mr. Chairman: Is that not provided.

Shri N. C. Chatterjee: They are not provided. I am only suggesting that these are some of the important things. I am not blaming the hon. Minister. We are anxious to cooperate with him. I am only pointing this out, so that there may not be any technical objection later. I am only asking the hon. Minister to do what the hon. Prime Minister did in regard to the Preventive Dentention Amendment Bill, to allow the Select Committee to have a full perspective. The same thing occurred in the case of the Criminal Procedure Code also. Take, for instance, trial with the aid of assessors or by jury. You may remember you wanted that in that case, even the High Court should be taken into account. The hon. Minister said that that should be allowed. All that we suggest is, there should not be any technical fetter imposed on the Select Committee from taking a broad perspective of the whole integrated scheme. Ordinarily, as you know, only those sections which are specifically amended by the amending Bill would be allowed to be amended. You were the Chairman of the Select Committee on that important Bill. Amendments are allowed only in regard to those particular sections. I submit the House also should consider this favourably. There should be a comprehensive survery of the entire position. Pandit Thakur Das Bhargava helped me in drafting the amendment. I am confident this is in line with Sardar Hukam Singh's amendment on the Preventive Detention Act. I hope there will be no objection on the part of the Treasury benches to accept this suggestion of ours. Otherwise, there will be many difficulties created and many useful discussions in the Select Committee may be shut out: both here and in the Select Committee. I do not want the Select Committee to be fettered. Even now, the hon. Minister was saying......

Mr. Chairman: Order, order. May I draw the attention of the hon. Minister?

Shri Pataskar: May I at this stage...

Mr. Chairman: Order, order. I was going to say, after all, we are going to consider this Bill for 16 hours. So, whatever points the hon. Member is making, the hon. Minister may kindly note and give attention to them and then decide. There is no hurry. It is not only that the speeches are going on record. At the same time, there is something in the delivery of the speeches and the impression that the speech makes. I think it is desirable that, when we have got enough time to think over the matter, the hon. Minister should give his attention to the speeches.

Shri Pataskar: May I, at this stage, make one suggestion to the hon. Member opposite and to my hon. friend Pandit Thakur Das Bhargava? It appears from the way in which I have listened to both Shri N. C. Chatterjee and Pandit Thakur Das Bhargava,—I have not got the amendment with me—I think probably, as we go on discussing the provisions of these Bills, they will find that there is hardly any matter which could not be really covered by the reference to the Select Committee. For instance, I would like to draw attention to clause 77 of the Bill. So far as we are concerned, the scheme here is that there is no Return of election expenses to be filed. Formerly there were two processes: keeping of accounts and Return of election expenses.

Shri K. K. Basu (Diamond Harbour): Even then, what is the objection?

Shri Pataskar: Let the Members discuss the provisions of the Bill. If at the end it is found that there is anything which requires to be considered, but will not be allowed to be considered unless I accept some amendment, at that stage, it will be proper to draw my attention. I shall consider it. Just now, for me to accept any amendment would be difficult. Therefore, I would appeal to the Chairman on one thing. The discussions will last for 3 days. There is really nothing important which has been left out, which really could not come before the Select Committee in the discussions. I shall certainly be willing to take that into account.

Pandit Thakur Das Bhargava: With your permission, may I submit that, according to the law and practice, if there is any reference to any of the sections which are not included in the amending Bill, neither in this House nor in the Select Committee can any discussion of such matters be allowed. Take a matter like disqualification. We all know that in regard to disqualification, there have been many conflicting judgements of the various High Courts. I had occasion to appear in a case and I found that the various High Courts have given different rulings. So far as disqualification is concerned, section 7 under which we can bring this matter, is not referred to here. The hon. Minister knows better than me that there are conflicting decisions. Suppose we want to reconcile all those judgements and make an amendment in regard to section 7, which is one of the most important sections in this Act, we cannot possibly do so because in the amending Bill there is no such provision. There may be many other provisions of this nature. I would not like to restrict to this. I know the attitude of the hon. Minister. He is not the man who will stand in our way. He wants to have a good law. I do not think that he will stand against us. At the same time, it is beyond him and the powers of the Select Committee to entertain any amendment in respect of any matter which is not dealt with in the amending Bill. I ask my hon. friend whether that is possible even with the best will in the world. That is the law. We cannot change the law. Therefore, as it was done in the case of the Criminal Procedure Code and the Preventive Detention Act, we gave instructions to the Select Committee to allow such amendments as can generally be made in regard to such matters and consider them. Similarly, here, I am a party to this motion. We have made this motion rather wide. What I am anxious about is, all these matters which are covered by Act XLIII, of 1950 and Act XLIII of 1951, which can be agitated may be allowed. All of us are elected Members. Each one of us has his own experience. We know of many difficulties which, perhaps, the Election Commissioner or perhaps my hon. friend do not know. It is our duty to see that solutions are found and there is no difficulty in the working of the Act. For instance, in a double constituency there are two persons. I had occasion to appear in a case in which there was really a petition against one of the persons on the basis of disqualification. It was a general constituency. Both had to swim together. We have to find a solution for this. There may be other matters of which other Members have experience. Many matters may come up in the course of the discussions We will not be able to touch them if there is no clause in these Bills touching upon that matter. We will not be able to touch them. Therefore, my humble submission is that nothing will be lost if the members of the Select Committee are allowed to go into the various sections of the Acts of 1950 and 1951 and suggest amendment. Then we shall make a good law.

4 P. M.

After all, the experience of Members in the last election should not be thrown away. The Election Commissioner has only the experience which he may have gathered from these 338 election petitions, but each Member has got his own ideas about the election affair and he may have many experienced same difficulties. With a view to remove all of them, it is absolutely necessary that we should be enabled to have those amendments considered and made in the Select Committee, and after this has been done a fully considered measure may come to the House.

Shri Pataskar *rose*—

Mr. Chairman: I should first ascertain whether Shri Chatterjee has finished his speech or not.

Shri Pataskar: May I say something which may satisfy my hon. friends Shri Chatterjee and Pandit Thakur Das Bhargava? So far as I have been able to listen to the points that were raised by these hon. Members......

Mr. Chairman: I suggested in the beginning that after all we are devoting 16 hours for this. So, when the speeches are delivered here, the hon. Minister may note the points. After that there may be mutual consultations. After all, it is a very important Bill because it concerns a very important matter, that is, the representation of 36 crores of people. So we should try to make this law as perfect as possible, and for that, the hon. Minister and the Members who have something to say on this matter may consult each other some time later on. In the meantime, let us go on with the speeches. Though the hon. Minister is not just now prepared to accept what the others suggest..

Shri Pataskar: That is my position.

Mr. Chairman: That is his position. What I suggest is that he may give attention to what the other Members have to say and then later on come to a decision. We are going on for three days on this Bill. What is the hurry. He may make up his mind later on instead of......

Some Hon. Members *rose*—

Mr. Chairman: Let me finish my say.

Shri Raghavachari (Penukonda): May I rise on a point of order?

Mr. Chairman: There cannot be any point of order while I am speaking. What I say is this, that there is no hurry about coming to any decision or commitment from the side of

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the Government. We shall have enough time to consider this matter. Meantime, let us go on with the consideration of the Bill.

Shri U. M. Trivedi (Chittor): May I make a submission?

My submission is only this much.

Mr. Chairman: Let me hear the point of order.

Shri Raghavachari: My point is this. This House has to consider the motion moved by the Minister. To that motion an amendment has been proposed by a few Members which wants to enlarge the scope of the matter covered by the motion. When a motion is moved and an amendment to that motion is moved, this is not the time for the Minister to say that he accepts it or does not accept it. It is for the whole House to hear the entire thing including the matter covered by the amendment, and it is for the House to decide whether it will allow extension of the scope to other matters.

Mr. Chairman: That is evident.

Shri Pataskar: It is not for me to say, and I have never said, that I either accept or reject. The point is, so far as I could listen—of course, naturally, I do not expect those Members also to give all their points—for the present it appears to me that those matters will not be outside the scope of the discussion in the Select Committee. However, let us consider this Bill and if in the course of the discussion we find that there are certain matters which probably do not fall within the scope of the Bill though they are important and might be accepted, well, certainly, I shall be prepared to consider them, and it is not at this stage....

Pandit Thakur Das Bhargava: That is the right thing.

Shri Pataskar: Let us discuss the Bill, and as we go on, we will see.

Some Hon. Members *rose*—

Mr. Chairman: I do not think there is any necessity for discussing this point any more. The hon. Minister has said that he will consider it, and we are practically coming to this final decision at the end of the debate of 16 hours. What is the hurry?

Shri Ramachandra Reddi (Nellore): I am not making a speech, but I want to mention one little point.

Mr. Chairman: On this matter?

Shri Ramachandra Reddi: Yes.

Mr. Chairman: I do not find any necessity.

Shri Ramachandra Reddi: The matter is entirely in your hands now because the amendment is moved, and if you allow the amendment, you have simply to waive notice of it, and then the main motion as well as the amendment will be discussed, and there will be time for the hon. Minister of legal Affairs and the Minister of Parliamentary Affairs to think about it and come to a compromise without any excitement whatever.

Shri N. C. Chatterjee: I may shorten the matter. There is really no difference between the Treasury Benches and ourselves. As a matter of fact, I can assure the House that the hon. Minister of Parliamentary Affairs says that that is also the intention of the Government. They do not want to exclude anything. We are also only trying to put it in legal form so that technicalities may not stand in the way of our having the chance of putting in the necessary amendments. I have not categorised all the points. If necessary, I will make a list and furnish it to the hon. Minister.

Shri Pataskar: Yes.

Shri N. C. Chatterjee: So that he may make up his mind.

Mr. Chairman: May I know if the hon. Member is a member of the Select Committee?

Shri N. C. Chatterjee: Yes. Therefore, I am all the time submitting, although my speech has been cut short, that it has not specified or does not contain an exhaustive enumeration of all the points we want to bring before the Select Committee.

Take for instance, transport. You know at an election where the constituency consists of four lakhs of people, you are only allowed one clerk and one messenger. This is absolutely ridiculous, and it leads to absurd situations, and therefore we want also to bring these things in. Technically you may say that particular amendment or that particular schedule is not being tagged on, or is not the subject-matter of the amending Bill. Therefore it should not be considered to be outside the scope of the Bill. All that we are saying is, as Pandit Trakur Das Bhargava has very clearly put it, let the entire original Act be the subject matter of review by the Select Committee, and let us have a comprehensive report from the Select Committee.

Mr. Chairman: Amendments moved:

(1) That in the first motion, *after* "the mover" *insert*:

> "with instructions that matters other than those dealt within the Bill, but relating to election in general, and matters dealt within the Representation of the People Acts, 1950 and 1951 (XLIII of 1950 and 1951) be considered and amendments allowed to be moved and made and also"

(2) That in the Second motion, *after* "the move" *insert*:

> "with instructions that matters other than those dealt within the Bill, but relating to election in general and matters dealt within the Representation of the People Acts, 1950 and 1951 (XLIII of 1950 and 1951) be considered and amendments allowed to be moved and made and also"

Shrimati Renu Chakravartty (Basirhat): The amending Bill before us seeks to amend the Acts of 1950 and 1951 which are very important. They are important from two points of view—not only because we are approaching the general elections, but also because certain unhealthy developments have been noticed since the last elections, and especially in the bye-elections.

Even with adult franchise which, no doubt is a great step forward, within the capitalist system there are limitations in ensuring complete equality and complete freedom of elections. As long as there are landless labourers working for the landlord, there will be pressures, economic pressures which will ultimately result in political pressure too. As long as there are capitalists who are the millowners and there are the workers, there will be a certain amount of pressure. As long as there is the power of money, there will not be any equality and there will always be a tipping over of the balance in favour of the moneyed classes, but in spite of that, in spite of these limitations, we must try as far as possible to ensure some sort of checks and balances in favour of the less moneyed classes who form the vast masses of our people.

What actually do these free and fair elections connote? Firstly, we have to assure ourselves that as far as practicable we do away with the pressure of money and the vested interests. That is one of the principles which we have to apply to every clause and see how far we can actually put certain checks and balances, so that the scales are not tipped in favour of the vested interests.

The second principle which we have to apply is to see that the executive authority is not utilised for influencing the electorate in favour of the ruling party. These are the two principles I think in very broad general outline which we have to see are followed when we are in the Select Committee.

The first, that is freedom from money pressures, includes, of course, the conception that we have to so formulate our election law that even the simplest and humblest pea-

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sant, and worker people with modest means from the intelligentsia, will be able to stand for elections and that their disadvantage with regard to the moneyed classes, is being able to win elections is minimised. That is another thing that we have to see. The conception that only the rich and well-placed, the highly educated and the degree-holders are the best spokesmen of the teeming millions has to be changed.

Moreover, the dumb millions are no longer dumb today, and they have experience of life. And because they have experience of life and its struggles, it is they who are best fitted often to be the practical tacklers of the problems of life. That is why we feel that the two conceptions which have to be realised in our electoral law should be, firstly that our electoral law has to be simple and straightforward, and secondly that it has to be inexpensive.

If we take up first the question of trying to prevent the moneyed pressure, or pressure from the vested interest, then I should like to make certain specific recommendations in that regard for the consideration of the Select Committee. First and foremost. I want to bring to the notice of this House that formerly, permitted ceilings of expenditure were put down in the schedule. Now, a specific portion of that expenditure will be put down in the schedule, but a part of the expenditure will be allowed to be borne by the political parties. There is no knowing whether the political party's expenditure is going to be accounted for. But this much is sure that if the political parties are allowed to bear, and they do bear quite a large portion of the expenditure, then it is necessary that the ceiling of personal expenditure must be lowered. Otherwise, I feel that this will actually help further expenditure being allowed, with the result that the smaller man, the poorer man, and the poorer parties will be put at a disadvantage. The sources are many for the ruling party; they come from the sugar magnates, they come from the big millowners, and they come from various other places. But at the same time I do not oppose the fact that the political parties must bear part of the expenditure. That is only right, because that in itself will limit the growth of the number of individual independents standing for election. Yet I feel that it is necessary at the same time to limit the personal expenditure of those who are the condidates of political parties.

Of course, it is very difficult even when a ceiling has been laid down everywhere, to really check the expenditure. We know that a person like the Raja of Challapalli has spent about Rs. 5 lakhs to win in Andhra he purchased a thousand cycles, he purchased so many cars and so many lorries, but even then he was able to pass muster under the law. Still, I feel that some sort of statutory provision keeping the ceiling of personal expenditure further down is necessitated now, because....

Shri C. R. Narasimhan (Krishnagiri): On a point of order. Is it desirable in the course of the debate to mention proper names, and accuse persons, who are outside the House, of various charges, without giving them an opportunity? Will that conduct to proper discussion?

Shri C. D. Pande (Naini Tal Distt. *cum* Almora Distt.—South-West *cum* Barielly Distt.—North): Names should not be mentioned.

Mr. Chairman: I think in these matters hon. Members should take the full responsibility, though of course this House is free to give expression to any view which cannot be challenged in any court. But hon. Members should take that much responsibility while making allegations against any personality. It is desirable that general references only should let made, instead of accusing any person who is not present here to reply. I think it will serve the same purpose if a general mention is made that capitalists or Maharajas do such and such things. I think that would be preferable, instead of accusing a person by name, for that man is not present here to reply to the particular charge.

Shri Kamath: Proper names will be improper. I suppose that is your ruling.

Shrimati Renu Chakravartty: I feel that there is no necessity to be quite so touchy and sensitive about these matters, because everybody in that constituency knows it. By giving that instance, I was only making this point that it is not possible often to prove it because of the fact that even in spite of there being certain statutory provisions, there are people who spend huge sums of money and yet they pass muster under the law. And now, we are seeking to increase the ceiling also. But I feel that now that party expenditure is also going to be there, the ceiling for the personal expenditure should be lowered for party candidates.

There are certain other points which I would like to draw your attention to. I would like to show that the same old class approach remains in certain specific sections, which makes even adult franchise unable to help the masses to express their opinions fully and frankly. For instance, we feel that the deposits for the House of the People and for the electoral roll come to something like Rs. 500 plus Rs. 250. We feel that that is a very high amount. I would like the Select Committee to take note of this. Again, for challenging of a vote, it is necessary to deposit immediately Rs. 10. It may be possible for the ruling party to do so. But we know from practical experience that even when we know that there is a false vote, yet it is often not possible for us to challenge it because of this demand that we should immediately put down Rs. 10. That is why I feel that the amounts should be lowered, and for the challenging of the false vote also there should not be such a high amount prescribed.

That is one other point for the consideration of the Select Committee. I shall only indicate the broad principles. Before you can file an election petition, you have to deposit a sum of Rs. 1,000. That is also a matter to be considered. Again, there is the very important question of the use of vehicles on the election day. The use of vehicles on the election day has been prohibited within a certain limit. But all of us know that the richer the candidate, the larger is the number of vehicles,—whether they be cars, lorries, bullock-carts or even cycle-rickshaws—that are used. I feel therefore that this question of limiting the number of vehicles that can be used on the polling day must be taken up seriously. We have seen very often how the results of the elections have been very substantially changed on account of this factor.

Although this question of adult franchise is held up to be an example of being the be-all-and-end-all as at symbol of total equality, I feel it is necessary to realise that not only has it got its limitations within the inequalities that are borne in the capitalist system, but also that even in our own electoral law, there are certain, specific cases in which this principle of adult franchise is given the go-by.

For instance, I would like to bring to the notice of the House and of the Select Committee the question of the voting and the constitution of the electorate in respect of the election to the Council from the local bodies constituency. In my own State, the electorate for the Council election from a local bodies constituency is an electorate which is elected not by adult franchise but purely on the basis of the amount of taxes paid or the educational qualifications. So, there is only a very restricted franchise in the case of election from the local bodies constituency; and fur-

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ther, the election is also an indirect one. The fact that an indirect election with a restricted franchise takes place in the case of the Council elections from the local bodies really goes against the principle of adult franchise itself. I know that the local bodies are constituted under State laws, but at least the Election Commission and Parliament should be in a position to see that every State changes its local body laws in such a way that the principle of adult franchise and the system of election through secret ballot are introduced for the purposes. That is a very important point.

I feel that it is necessary for us to take very great note of these points which have been included in our electoral law, in order that we shall be able to give protection against the vested interest and the moneyed interest influencing or being able to influence the electorate to their own advantage and against those who are poor and are unable to fight the power of money.

Another point which I would like to make in this connection is in regard to disqualification. In order to counteract to some extent the influence of vested interests and to prevent them from using their positions in Parliament and the Assemblies to influence the policies in favour of their own interests, we are in favour of keeping, and rigorously enforcing certain disqualifications, especially the disqualifications in regard to contractors.

Now, by the proposed amendment, this question of disqualification will not be argued or interpreted by the Returning Officer during the time of scrutiny. Of course, the hon. Minister has said that an election petition may be made on that basis. But I feel that in spite of the fact of having full knowledge that a person is a contractor, we have to go through the entire expenditure of an election and only at the end of it, we will be able to present an election petition, and the protracted, expensive process has to start. I feel that this is a puerile and this amendment should be opposed. At the same time, I want to say that even in the original law itself, on this very clause relating to contractors, there is an expression "appropriate Government" whereby a person may be a contractor of the Central Government, if he stands for MLA-ship and he may be a contractor of a State Government, if he stands for MP-ship. This, I think, is also a rather puerile division to make; because, after all, the Government is one; the strings within the Government are also inter-connected and it is essential that this term "appropriate Government" should be taken away, and anybody who can be proved to be a contractor to the Government will automatically be disqualified. Of course, it is true that it is very difficult to enforce. Even then, vested interests will use certain other methods whereby they will have their interests represented in the legislatures. Even then, a statutory provision is better than having none; it is some sort of a deterrent, and therefore, I propose that this should be kept.

Now, I want to say that certain other disqualifications should be taken away. For instance, there is disqualification if you are imprisoned for more than two years. Now, many of us in this House do not realise this, in spite of the fact that one of our colleagues is today in prison and in a few months, may be disqualified on this ground. I refer to Shri Bhajahari Mahata, a Member of this House—I hope the hon. Member opposite will not mind my mentioning him by name. He is a man who is respected by his constituents, a man who has, under the Bihar Public Safety Order, been given imprisonment—consecutive imprisonment—for taking out processions without licence; three processions, for each count, one year and one thousand rupees, in default of which he has to undergo three months imprisonment extra. Already I think more than 1½ years have gone, and appeals are outstanding for months past. Even today, that appeal has not been allowed, although he has almost finished two of his terms and is facing the third term.

Now, especially in view of the Congress Government, which knows full well that for political activity many people are put by them into jail for periods even for two years and more, what right have we to disqualify them on this ground? I feel that this is a very important point which has to be discussed, as to whether this should be a case for disqualification.

Then again, there is one other clause which says that disqualification may also be brought about by the term 'disloyalty to the State'. Now, I would like that this should be qualified, and it should be stated as to what is exactly meant by 'disloyalty to the State'. Often, we see the ruling party interpreting opposition to a Government or a party as disloyalty to the State. Therefore, I feel that in this clause it should also be categorically stated as to what is meant by 'disloyalty to the State'—it should not be left to a vague interpretation of the executive.

The last point which I want to make in connection with this question of disqualification is this. There is an amendment in this law whereby for the purposes of disqualification, the Election Commission is going to be given the right to condone the disqualification. I feel that in the case of the question of a candidate being a contractor or being faced with charges of corruption, there should be no condoning by the Election Commission.

Shri S. S. More: Even under the present Act, contractors are not condoned, and their disqualification cannot be removed by the Election Commission. Disqualifications such on account of conviction or on account of presentation of false returns or something like that—only such disqualifications are removable by the Election Commission. Contractors cannot be given a charter to contest elections.

Shrimati Renu Chakravartty: If that is so, it may remain. But as far as I could make out, one of the new clauses which is being added, gives an overall, blanket power to the Election Commission to do so.

Shri S. S. More: It does not.

Shrimati Renu Chakravartty: Then I would certainly not like that to be amended.

One other way of ensuring that economic pressures are minimised is to ensure the greatest degree of secrecy. Now, we in the course of the last election and the bye-elections, have noted that there has been noting of numbers against the names. That is a very dangerous practice, and we feel that there should be no noting of numbers in the polling booth.

Here I would raise the question of postal ballot. I would like the Select Committee to see the report of the Election Commissioner where he has said that the postal ballot has been quite unsuccessful. Very few people from the armed forces have exercised their franchise through the postal ballot. One of the reasons for that—many people have told us—is that they have to sign their names. Now, it is almost impossible for one in the armed forces to sign his name and vote for any member of the Opposition party. I feel that some sort of method must be evolved whereby the secrecy of the ballot is maintained, and we do not have to insist on his signing his name. Therefore, I feel that this point should also be looked into by the Select Committee.

Another principle that we have to see is put into practice is that the largest section of the people are enabled to exercise franchise. For this, we feel that polling booths should be within one mile radius, and that there should not be more than about

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500 voters to a booth. I say this specifically because I know how very difficult it is for women to exercise their franchise when polling booths are at a long distance or when they have to be kept waiting in long queues for the whole day. It is true that women have shown a great interest in many States. They have stood in their queues the whole day. I know also how very difficult it has been for them to come over long distances walking and to exercise their franchise. Therefore, I want to put this point before the Select Committee.

The second principle which I had enunciated was on the question of ensuring that the ruling party did not use the executive machinery for unduly influencing the voting. This in concrete terms means that every effort must be made to see that the executive machinery is not allowed to be used for election purposes other than the set-up for the paraphernalia of casting the vote on polling day only. Now, unfortunately during the last elections, we saw many examples of how the advantages of the State machinery were used to the full against Opposition parties.

Shri Kamath: Quite right.

Shrimati Renu Chakravartty: It was impossible for us to seek remedy because the highest Ministers of State, while fully utilising their position of vantage as Ministers, did political propaganda and took cover under the technical plea that they were entitled to propagate their political views. It becomes impossible to extricate how much is spent by them in their official capacity and how much in their non-official capacity. We also saw that during the last Travancore-Cochin elections, even in answer to a question, it was stated that the State had spent a certain amount of money on the visit of Shri Jawaharlal Nehru during his election tour from government funds. But it was said that it was done for the personal protection, and for security reasons. I remember also that, when Shri Nehru toured the length and breadth of India in his hurricane election tour during the last general elections, he used a special plane. Can any other party—save the ruling party—get such advantages?

Shri C. D. Pande: He paid for it.

Shrimati Renu Chakravartty: He may have paid for it. But even if that is so, is it possible for the Opposition parties to charter a special plan? (*Interruptions*).

Shri C. D. Pande *rose*—

Shrimati Renu Charkravartty: I think Shri C. D. Pande ought to have listened a little more carefully to the formulation of my sentence. I said: is it possible for the Opposition parties to charter special planes any time they desire?

Some Hon. Members: Yes.

Shrimati Renu Chakravartty: Even when he went to Cannanore during the last general elections, is it not a fact that the Mangalore airport was still under construction and was somehow made fit for the landing of his special aircraft? Is such a thing possible in the case of Opposition parties? Is it also not a fact that he travelled by special train from Mangalore to Cannanore? This is a thing that everybody knows. Yet when it comes to granting equal political rights to the workers in commercial and industrial establishments, they are hedged in by their bonds, National (Safeguarding of Security) rules and other terms of employment which forbids them from campaigning for anyone in the elections.

Mr. Chairman: The hon. Member's time is up.

Shrimati Renu Chakravartty: I hope I will be given at least half an hour.

Mr. Chairman: For party leaders that is generally allowed.

Shrimati Renu Chakravartty: I am deputy leader of our party.

Shri Kamath: May I suggest that you may regard the first speaker from any group as the leader for that purpose and allot half an hour to him or her?

Mr. Chairman: Provided he or she is considered to be chief spokesman of any group.

Shri S. S. More: May I bring to your notice that the proposition enunciated by Shri Kamath will not be supported by other Members of the House? (*Interruptions*).

Mr. Chairman: Order, order.

Shri D. C. Sharma (Hoshiarpur): Why should Shri Kamath think that he is the Opposition-in-Chief?

Shrimati Renu Chakravartty: Yet when it comes to granting equal political rights to the workers in commercial and industrial establishments, they are hedged in by their bonds and National Safeguarding of Security Rules and other terms of employment which forbid them from campaigning for anyone in the elections. Although of course technically this veneer of impartiality is shown, in fact officers have not only winked at but connived at campaigning for the candidates of the ruling party, while the least suspicion of favouring the oppsition parties has brought censures, secret reports, demotions, severe reprimands and warnings against others.

In this context we wish to place our position very clearly and emphatically that all Government servants who are in a position to use their official capacity to influence the mass of voters because of their official position must be strictly barred and no exemption from this should be left to be notified at the discretion of the State and Central Government.

Shri S. S. More: Including the Ministers.

Shrimati Renu Chakravartty: This can only be done be statutory provision by Parliament alone. I say this because of a certain provision which has been brought in this amending Bill that in future the State Governments may exempt any body of Government servahts and they may participate in the canvassing. For instance, the Minister has been rather honest and frank in the Statement of Objects and Reasons where he says: "By clause (b) of that Explanation a State Government is debarred from exempting village officers from the operation of section 123(8), with the result that no village officer can canvass at election for another candidate. This provision leads not only to hardships but also to anomalies at the time of elections." We are totally against this. We feel that if village patwaris, village munsiffs, local daffadars and chowkidars are allowed to canvass, it will be making them the political canvassers of the Congress Party, and we are totally opposed to it.

At the same time the workers in commercial and industrial establishments and class IV staff and their equivalents in Railway and Posts and Telegraph offices, workers in Sindri and the irrigation projects must be allowed their full political rights to campaign for anyone they choose, because they wield no authority or influence emanating from their official capacity. It is this principle which must guide us in making the discrimination. Otherwise we will find that with a growing public sector we will be having a larger and larger number of workers coming under the category of Government servants, and they will be prevented from exercising their full political rights. Are we going to deny them the fundamental political right of fully participating in the elections? If Ministers of State can use the State machinery directly or indirectly and utilise their own position to the advantage of a political party, what right have we to deny the workers and employees that right?

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Only, we demand strict vigilance to keep out those who wield their official position to influence voters. That is why we emphatically protest against the attempt to change the Explanation to section 123(8) of the Act of 1951. The Statement of Objects and Reasons is very frank about it, and therefore I feel that this has to be changed by the Select Committee. This is the most dangerous amendment in my opinion, and with all the emphasis at my command I would ask the Select Committee to go into this matter in very great detail.

There is another powerful weapon of propaganda......

Shri Thanu Pillai (Tirunelveli): On a point of order. Can speech be read in the House?

Shri Kamath: She is not reading.

Mr. Chairman: She is just referring to her notes.

Shri T. B. Vittal Rao (Khammam): It is a frivolous point of order.

Shrimati Renu Chakravartty: The hon. Member has apparently not heard me speaking in the House. Otherwise he would have realised that I am capable of speaking without reading any notes.

As I was saying, another powerful weapon of propaganda utilised by the ruling party is the radio. And the press is already in their favour, at least through their class interests. But the radio, a State concern, is used entirely by the Congress Party. The excuse is that Ministers cannot be barred and they talk, not of political controversy but on subjects like the Five Year Plan, development plans of the Government, etc. But I would like to ask: are other party leaders allowed to give their free opinions on these very subjects? At the time of general elections the entire medium of the radio, takes on through the speeches of the Prime Minister and Ministers a powerful force of propaganda which is denied to other parties. Our demand is that at least during the general elections the programme of the All India Radio must be under the general supervision of the Election Commission, and all parties must be allowed equal opportunities of speaking to the people through the radio. At other times too the radio must be available for all political party leaders to speak, and not kept reserved for the Congress Party through its Ministers.

I should like to point out that the use of the microphone is also discriminated against. Often local laws prevail, restricting the use of microphones and requiring licences, etc. This often leads to harassment and discrimination against opposition parties. Not only that. Often the ruling party breaks the rule. It is also condoned by the police and they do not take any notice of it. This happened in Calcutta at the time of the mayoral election when Mayor Shri Naresh Mukerji was standing for election the Congress Party took out a procession with Shri Dhebar and used the microphone. We sent telegrams to the Election Commission. The Eelection Commissioner said: I cannot do anything about this because this is guided by the State and so I cannot go into this matter. Therefore I feel that there should be no restriction on the use of the mike, except in the vicinity of places of worship or hospitals, for all parties irrespective of whatever ideologies they may have.

Lastly, there are certain small points to which I would like to refer. I welcome certain features in this bill like proposals for speedy elections and counting of votes. I feel there should be no long drawn out counting. In Andhra one whole month passed. In the last general elections in North India it took a longer time. There in South India where the counting was done simultaneously, it should be so and the period of counting should be minimised as far as possible.

On the question of grounds for election petition I should say that I welcome the simplification of accounting, and I do think it is better. An amendment has been brought forward in this Bill by which power is given to the Election Commission to transfer cases from one tribunal to another. That too is good. The proposal for a two bench tribunal will we hope expedite hearings. But we want that in no case should it become a one-member bench which was proposed by certain people.

In regard to electoral roll I would like to say that there is a provision here, if I have read it correctly, that there is no necessity for revising the electoral roll in 1956. I feel it is very wrong. Because, in the beginning of 1957 we shall be having our general elections. It is 1956 which will be the crucial year when the last revisions will take place. Therefore I feel that it is very important.

Shri S. S. More: According to the scheme now proposed, the electoral roll will be always under preparation, every minute. It is a continuous process and not a periodical process.

Shrimati Renu Chakravartty: There is a clause here. I would like the hon. Minister to look carefully into this amendment. I have looked at it twice or thrice.

Shri Pataskar: It is prepared every year. Now there is no necessity for preparing it every year. It will be only revised.

Shrimati Renu Chakravartty: As far as I could make out, it appeared to me like this, that there is no necessity for revision in 1956. If it is not so, then I welcome it.

Then I want to say something about the franchise of displaced persons. In the Act of 1950 section 20(7) which deals with displaced persons and their franchise is being deleted by this Bill, because the Citizenship law is going to prevail. That is the argument. Here again we do not know the final form in which the Citizenship Bill will emerge. For the East Pakistan displaced persons who continue to flow in thousands we have to see that some sort of categorisation is made that a six months residential qualification should entitle them to vote. That, I think, is very important.

In regard to the electoral roll there is also a suggestion that there should be wide publicity and that all political parties should be given the final draft rolls, so that any new additions and alterations could be made. Also fifteen or twenty days or even about three weeks before the actual election, the list of the dead which the enumerators and canvassers get hold of can be hung up so as to prevent impersonation or false voting.

Lastly, for my own State I would propose—I believe it is already there in some States—that there should be a village-wise electoral roll, not on the basis of alphabets but of villages. I believe in U.P. and in certain other States it is done. But in our State there is no village-wise electoral roll. We would like that this should be done for the whole of India as that would be the easiest way to canvass properly.

Therefore, with these few words I would urge that the Select Committee should go into the entire Bill and all its clauses and there should be no technical restriction not to allow them to open up the entire question because there are certain clauses that have not been brought under the amending Bill.

Shri Kamath: It is very gratifying that the former Minister in the Ministry of Law, now Minister for Affairs, strictly Legal, Shri Hari Vinayak Pataskar has moved this Bill for reference to the Select Committee on Vinayak Chathurti day. Today is

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Vinayak Chathurti and it is appropriate that Shri Hari Vinayak Pataskar has today moved the motion for reference to the Select Committee. This day is auspicious for him and I hope he will have a very good time in this House.

I submit at the outset, without boasting, that perhaps I have got a little more experience of elections than many of my colleagues in this House—though not all.

Pandit Thakur Das Bhargava: Question.

Shri Kamath: I said "many, though not all." I fought the general election as well as a by-election; and not only that, I have run the whole gamut of the judicial process right from the Election Tribunal to the Supreme Court.

Pandit K. C. Sharma (Meerut Distt.—South): And not any the wiser.

Shri Kamath: If wisdom is what Pandit K. C. Sharma had, I should rather not have such wisdom at all.

I must, at the outset, pay a tribute to the work of the Election Commission which is a body set up by the Constitution, though I cannot pay the same compliment to the election machinery, the executive machinery, set up in the districts and in the States. The more or less unbiassed working of the Election Commission has not been emulated by the executive machinery set up in the States and in the districts and the constituencies.

My hon. friend, Shrimati Renu Chakravartty has traversed a good bit of ground about both these Bills. So, without reiterating the points that she has made, I shall confine myself to certain other matters. I shall go right from the initial process of the preparation of the electoral rolls to the final process of the election petition; as it has been referred to by the hon. Minister himself.

As regards the electoral rolls, I would submit—I would make my points briefly so that I may utilise the short time at my disposal to the best advantage—that as regards the preparation of the electoral rolls the organised parties in the country must have the right to submit to the proper authorities the lists of voters whose names are inadvertently, deliberately or accidentally left out in many of these draft electoral rolls. My name itself was left out at the time of the general election and I had my name included at that time. It was again missing at the time of the by-election. It seems to be that there was a sort of conspiracy on the part of, I cannot say the ruling party, but the machinery somewhere. For it is very strange that a candidate who contested the general election should have his name deleted at the time of the by-election three years later. I had to pay a fee for getting my name included. I would say, in this connection, that the inclusion of the names of electors should be free up to a certain date, free, without the payment of any fee or charge. It may not be possible after the electoral rolls have been given to the Candidates, but up to almost the last date it should be free, and organised parties should be permitted to submit to the proper authority list of voters who, in their opinion, have been left out, and they should be scrutinised by the authority concerned. Two copies of the rolls should be made available to the contesting candidates free of cost—at least one, if not two. At present, each candidate in a parliamentary constituency has to pay from Rs. 500 to Rs. 600 for the one copy of the electoral roll.

Pandit Thakur Das Bhargava: Dummy candidate also? (*Interruption*).

Shri Kamath: I know Bombay State is progressive in Some respects.

Pandit Thakur Das Bhargava: That means that to a dummy candidate also a present of Rs. 500 or Rs. 600 worth of property should be made.

Shri S. S. More: Contesting candidate.

Shri Kamath: If he wants to buy a copy of an electoral roll he has to pay a very large sum of about Rs. 600 today. Therefore, I submit that a contesting candidate must get two copies free, at least one free copy, and an organised party, or the party committee in every State should get at least three copies of the electoral rolls free for their use.

Next, coming to the question of polling and counting, I agree entirely with my hon. friend, Shrimati Chakravartty: that the executive machinery in large areas of this country was misused—I would not use a stronger word 'prostituted'—for the benefit of the ruling party. Let me refer to one or two incidents only as it will save much of our time.

The Ministers, when they went out on tour, either in connection with the State Assembly elections or Parliament elections, invariably travelled in Government vehicles or State vehicles, and advance notices of their tours were sent to officers at the district headquarters or tehsil headquarters so that at every station and at their destination officers mustered strong and received their bosses—and naturally people were impressed by the demostrations and receptions that were accorded to the Ministers. The Ministers occupied, all of them whole circuit houses, and the Prime Minister himself admitted this fact in the House—not in this House but in the Provisional Parliament—when I raised the question in February 1952 after the last general elections. His contention was that a Minister goes not merely as a party member or party leader but as a Minister also, and that, therefore, both these functions are combined in one and the same person even at the time of elections. I remember that Mr. Attlee, the British Labour Leader, and Prime Minister then, after the dissolution of the British House of Commons in 1951, went in his own private car—it was reported in the papers that he travelled in his own private car....

Shri Asoka Mehta (Bhandara): ....driven by his wife.

Shri Kamath: Yes, but there are no views to some Ministers. (*Interruption*). It is on record, however, that that Labour Leader went in his own private car and did not use a State vehicle. But here not merely State vehicles are used but I am sure that I.A.F. Dakotas are also used; and special trains were run in Madhya Pradesh during elections. The Prime Minister travelled by a special train from Khandwa to Jubbulpore. There was a proposal for having a landing strip at Hoshangabad....

An Hon. Member: Hoshangabad is his place and therefore he knows it.

Shri Kamath: There was a proposal for constructing a landing strip at Hoshangabad for an aircraft for this purpose, but ultimately it did not materialise because they found that the ground was not suitable. The special train from Khandwa to Jubbulpore was therefore arranged, and I do not know whether the expenses of this train were borne by the State or somebody else. But this sort of misusing the resources of the State for the ruling party by the executive or by the administration is reprehensible. Reference was made by my friend to the All India Radio. It is nothing less than the ruling party's megaphone—not merely in the last general elections, even later also, not merely speeches by Opposition Leaders—I do not include all members of a party— even by the leaders of the parties, were blacked out by the All India Radio. It is a monopoly of the Government. Not merely did they black out the oppsition parties, Speeches, but a petty speech of a Congress Minister, a petty or a *chota* Minister or some Parliamentary Secretary opening a restaurant or some tea shop or *pan*

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shop—that was reported on the All India Radio. Recently a very important statement by an eminent leader like Jayaprakash Narain criticising the Prime Minister's Patna speech was not even mentioned on the Radio; it did not find a minute's—I would say not even a second's—mention in the All India Radio news bulletin. The AIR is really Government's loudspeaker and megaphone. I support the suggestion made by Shrimati Renu Chakravartty that opportunities for broadcasting must be given to all the parties during the time of the general elections, as is being done in the United Kingdom and the United States. There are of course private systems in the U.S.A., but here it is all a monopoly. The B.B.C. allows all parties to broadcast during the time of the general elections.

Coming to the nomination business I would suggest that the scrutiny of the nomination forms should be done not by the Returning Officer that is, the Deputy Commissioner or the Collector, but by the judiciary, say, the District Judge. People may have more confidence in his judgment, and it might be done by him and not by the Returning officer.

So far as polling booths are concerned, the distance should be ordinarily not more than one mile and it should in no case exceed three miles. In my own constituency, in Hoshangabad, in some places polling booths were as far as or as distant as 5 or 5½ miles from the villages. I was told that in jungle areas it was difficult to have polling booths within the distance of three miles. But this should not happen again.

The next point is about counting. About counting, there have been numerous complaints in the last general elections.

An Hon. Member: You have been a victim.

Shri Kamath: Yes, I was a victim and therefore, I would like to dwell more upon that. The Chief Election Commissioner paid visits to Nagpur and other State capitals after the general elections, and he admitted later on that the ballot boxes were tamperable though for the purpose of election petition the law required that one should actually prove that the boxes have been tampered with. That was very difficult in most cases. In Nagpur there was a demonstration by two or three political workers.

An Hon. Member: You witnessed it.

Shri Kamath: I witnessed it also. It was actually shown that without breaking the seals and opening the ballot boxes the ballot papers could be removed. The Election Commissioner was a witness to that demonstration and he admitted later on that the boxes were tamperable but unless it could be proved that they were tampered with, nothing could be done. I would submit that the ballot boxes should be foolproof and knave-proof.

Shri S. S. More: It is only a question of the method of election.

Shri Kamath: Hundred per cent perfection should be there in making them so that they may not be tamperable.

The next safeguard as regards the safety of ballot boxes should be that counting should take place within two or three days after polling is over. There should not be an interval of five or six weeks between polling and counting as happened in many places in the last general elections. In my own constituency the polling in one area took place on the 30th of December 1951 but the counting took place on the 3rd of February 1952. From 30th December to the 3rd of February the boxes were lying—I cannot vouch for that fact but I was told—in the house of one of the election officers and later transferred to the treasury of the District at that place, which was very objectionable. We, therefore, made a suggestion, in the bye-election held in April, to the Election Commission that the candidate be permitted to accompany, either by themselves or through their agents, the ballot boxes in transit....

I find that the Chair is having some discussion with the Secretary.

Shri S. S. More: You can address the Minister.

Shri Kamath: I can address the Minister only through the Chair.

Mr. Chairman: You may proceed.

Shri Kamath: I would like to catch your ear also—I do not mean literally (*Interruption*).

The suggestion is that the candidates or their agents should be permitted to accompany the ballot boxes in transit from the polling booth to the district headquarters or wherever else it may be. Secondly, I would suggest that the candidates be permitted to have their own guard outside—they cannot go right inside the premises of the Treasury at district headquarters—the compound so that the boxes could be absolutely knave-proof, and proof against all sorts of mischief. Unfortunately, in our country democracy is still in its infancy, and the officers of our governmental machinery have not yet caught the spirit of democracy. They should not bother as to who wins and who does not win. In England, for instance, within 20 days the machinery goes into action. Nobody bothers as to how the voting or counting takes place. Everybody has confidence in the government machinery. Here, I may mention one instance. In the last election when I was in Hoshangabad, a Returning Officer making a refernce to the Election Commissioner about validation of certain ballot papers made a very strange remark; that is to say, he said, a dispute will arise in the event of one of the candidates winning by a very narrow majority. This was quoted in the Supreme Court and in the High Court of Nagpur by my counsel, and the other counsel also. Why should he bother whether somebody wins by a narrow majority or a big majority? It is not his concern. He asked for instructions in certain matters because, otherwise, in the event of a narrow majority a dispute would arise. That clearly shows that these government servants were not immune to influences emanating from certain higher quarters, probably Ministers and others.

Here is very eloquent testimony to this effect, that *mala fides* of the Government are clear from its omission to include one of the recommendations, a very important recommendation, of the Election Commission in its report on the first general elections. It is given on page 207, recommendation No. 18 of the summary of recommendations. In that the Election Commission has recommended that Section 129 of the original Act should be made applicable to exception whether they be charged with any election duty or not. I will read for your information, Sir, and for the information of my hon. colleagues the relevant section 129 of the ornigal Act. It says:

> "Any person who is a Returning officer, or an Assistant Returning Officer, or a Presiding Officer or a Polling Officer at an election, or an officer or clerk appointed by the Returning Officer or the Presiding Officer to per form any duty in connection with that election shall in the conduct or management of the election do any act other than giving of votes...." (He is entitled to give his votes) "for the furtherance of the prospects of the election of a candidate. No such person aforesaid and no member of the police force shall endeavour to give his vote at an election etc. etc."

This is an important section and the Election Commission after its experience gained at the last General election recommended categorically

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that section 129—that is the section which I have quoted—should be made applicable not only to this category of officers—Presiding Officer, Returning Officer and all these—but to all government servants,—one and all, without any exception. This omission is the greatest blot upon the Bills which have been brought forward.

5 P.M.

Pandit Thakur Das Bhargava: It is the present law also.

Shri Kamath: I am referring to this particular section.

Pandit Thakur Das Bhargava: But there are other laws under which action can be taken if any government servant goes about canvassing for any particular candidate.

Shri Kamath: Of course, the election petition comes later on, but here, the law itself should lay down the position. I ask, why should not that be included in these amending Bills?

Shri S. S. More: Who has to decide that this law has been violated?

Shri Kamath: I would ask the Minister to reply to my point about this recommendation contained in the Election Commission's report, and say why it has not been taken notice of. If it is already in the law, then, such a recommendation need not have been made by the Election Commission. The Minister knows more than an experienced officer. He has been in the legal profession.

Shri Pataskar: I shall reply to that later.

Some Hon. Members: It is 5 o'clock now.

Mr. Chairman: I think he can finish his speech today.

Shri Kamath: I will take ten minutes more.

Mr. Chairman: Yes; you may finish the speech. The House may sit for about ten minutes more.

Shri Kamath: I would now make another suggestion. In fact, they are rather minor suggestions but they are fairly important. The ballot boxes must be enclosed in gunny or other bag and sealed with the seal of the Returning Officer and the seal of the polling agents also. Many of us have felt that the counting and re-counting stages were not correctly gone through and there has been a lot of tampering though it could not be actually proved.

Then, I come to the number of agents, especially the counting agents. Agents can be there besides the candidate himself. The rules have been amended so as to permit the opening of many boxes at one and the same time. Therefore, in order to facilitate supervision of counting by candidates and their agents, there should be more agents allowed at the time of counting.

Now, I come back to nomination. There should not be any necessity for a proposer or a seconder. Any person who is a voter or is entitled to stand as a candidate must be accepted.

Shri Pataskar: The seconder is proposed to be dropped.

Shri Kamath: Even the proposer can be dropped. I do not find any necessity for a proposer either.

Next I would now like to refer to the tribunals.

An Hon. Member: There is no quorum.

Mr. Chairman: I do not think there is any necessity to insist on quorum now. He will be finishing his speech now. I see some Members coming in. I think there are fifty Members. Anyhow, the hon. Member will proceed.

Shri Kamath: As regards tribunals, I do not see why a provision for two district judges is sought to be made. It is rather dangerous. In the case of an election petition against a

Minister, as happened in my own State of Madhya Pradesh—it took such a long time, that the Supreme Court had to pass strictures in the matter of the election petition against the Finance Minister there. It has been remitted for trial and an order has been passed that it should be tried by judges and advocates outside the State of Madhya Pradesh. Already the Tribunal has gone into operation with three Members from Bombay State. So, this aspect also has got to be considered by the Select Committee.

I would like to refer to one other thing, namely, postal facilities for candidates. In England on which our law is based—if it is not a replica exactly, it is modelled on that—under section 79 of the British Representation of People Act, some postal facilities are given—one communication post free to every voter by every candidate.

Lastly, I would revert to the point to which I referred at the beginning and which has been stressed by Mrs. Chakravartty also. This is a very important point and I would like to stress that again. I would submit that some way must be found so that the Minister does not function as a Minister when he goes on election work. In my own State, the Ministers went on tours specifically described as election tours. When Mr. Shukla, the Chief Minister, was on an election tour, some people approached him with certain application and petitions. Then he said:

> "हम तो चुनाव के दौरे पर आये हैं और हमारे पास कोई दरख्वास्त वगैरह सुनने का वक्त भी नहीं है। चुनाव के बाद देखा जायेगा।"

That means the Chief Minister went definitely, specifically and categorically on election tour with all the retinue of police officials and so on. I saw him at Itarsi Junction with the D.I.G. of Police and other officials around him. I would suggest that the Prime Minister himself ought to set an example in this matter. When the Prime Minister goes about on election tour, if he does not resign his office so as to partake in the elections he must see to in that he campaigns only for his Party and not for individual candidates. When the Congress President or the Prime Minister goes on tour it should not be for canvassing for a particular candidate. The heads of parties can canvass only for their parties and not carry on a campaign for individual candidates. I have got a certain document with me; I am both to use that document, but with a heavy sorrowful heart I produce it here as proof. It is a sad affair. Our Prime Minister said here in this House that "as Congress President, I visited hundreds of places. I did not regard the Member's constituency as so important for me to pay attention to or to visit"—that is, my constituency. But here I have got a photostat copy of a letter written in December, 1951, by the Prime Minister to Sheikh Abdullah. The Prime Minister wrote that "it would be worthwhile sending some competent workers whom he could utilise in special constituencies." The Constitution has abolished special constituencies, but he calls them "special constituencies" according to his own concept. One name I shall not mention, as is my hon. colleague in this House. For instance he says:

> "I would like to help Syed Ahmed of Hoshangabad,.... (one who is my hon. colleague here).. Abdul Ghani of Gurgaon and some people in Rajasthan".

But, these three are mentioned by name. Again, in the recent bye-election also, it is most surprising a leaflet like this was used, and the people who saw this leaflet were amused and angry. I can understand the Prime Minister or the President of the Congress appealing to voters for their own party candidates. But this is by name for or against another candidate. This is what the leaflet says. A lakh of copies were distributed in my constituency.

An Hon. Member: Not so bad.

Shri K ath: I was there for a longer time. The hon. Member was there too, I know.

"लोक सभा में आकर अच्छा काम किया"

There is nothing wrong here, though it may not be true:

"मैं नहीं समझता, उनसे अच्छा कोई भी प्रतिनिधि ोशंगाबाद के वोटर चुन सकते हैं" कोई भी, हिन्दुस्तान भर में चुन सकते हैं।

This sort of appeal does not befit the Prime Minister or the Congress President. I would suggest reference only to these three candidates by name, and to special constituencies in a letter written to Sheikh Abdulla in December, 1951 on the eve of the last general elections. It may be an uncharitable view, but it has made me suspect and others also who have seen this, that though the Prime Minister talks of secularism and what not, he has got a secular head with a communal heart and I may add, international feet. I would refer to other points after this Bill comes back from the Select Committee.

The Lok Sabha then adjourned till eleven of the Clock on Wednesday the 21st September, 1955.